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E-cont.

1 *~~4575/3.33~~* SECTION 190. 71.22 (4m) (m) of the statutes is amended to read:

2 71.22 (4m) (m) For taxable years that begin after December 31, 1999,

3 "Internal Revenue Code", for corporations that are subject to a tax on unrelated

4 business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as

5 amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102-227,

6 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, and sections

7 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. ~~104-188~~ ^{104-188, and...} and as amended by P.L.

8 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding

9 section 431 of P.L. 107-16, and as indirectly affected in the provisions applicable to

10 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.

11 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections

12 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding

13 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.

14 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections

15 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.

16 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.

17 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.

18 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16. The Internal

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

20 purposes. Amendments to the Internal Revenue Code enacted after December 31,

21 1999, do not apply to this paragraph with respect to taxable years beginning after

22 December 31, 1999, except that changes to the Internal Revenue Code made by P.L.

23 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding

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

25 applicable to this subchapter made by P.L. 106-554, excluding sections 162 and 165

8

ccc

1 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, apply for
2 Wisconsin purposes at the same time as for federal purposes.

3
4 *~~4575/3.36~~* **SECTION 193.** 71.26 (2) (b) 7. of the statutes is repealed.

5 *~~4575/3.37~~* **SECTION 194.** 71.26 (2) (b) 8. of the statutes is repealed.

6 *~~4575/3.38~~* **SECTION 195.** 71.26 (2) (b) 9. of the statutes is amended to read:

7 71.26 (2) (b) 9. For taxable years that begin after December 31, 1993, and
8 before January 1, 1995, for a corporation, conduit or common law trust which
9 qualifies as a regulated investment company, real estate mortgage investment
10 conduit or real estate investment trust under the Internal Revenue Code as amended
11 to December 31, 1993, excluding sections 103, 104, and 110 of P.L. 102-227 and
12 sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66, and
13 as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding
14 section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 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, excluding sections 162 and 165 of P.L. 106-554, and as indirectly affected
17 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.
18 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
19 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
20 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, 13203
21 (d), and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7,
22 excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L.
23 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 ~~and~~, P.L. 105-277,
24 and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, "net income"
25 means the federal regulated investment company taxable income, federal real estate

1 mortgage investment conduit taxable income or federal real estate investment trust
2 taxable income of the corporation, conduit or trust as determined under the Internal
3 Revenue Code as amended to December 31, 1993, excluding sections 103, 104, and
4 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and
5 13215 of P.L. 103–66, and as amended by P.L. 103–296, P.L. 103–337, P.L. 103–465,
6 P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311
7 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L.
8 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and as
9 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.
10 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
11 101–508, 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, 13203 (d), and 13215 of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465,
14 P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311
15 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L.
16 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, except
17 that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be
18 depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as
19 amended to December 31, 1980, shall continue to be depreciated under the Internal
20 Revenue Code as amended to December 31, 1980, and except that the appropriate
21 amount shall be added or subtracted to reflect differences between the depreciation
22 or adjusted basis for federal income tax purposes and the depreciation or adjusted
23 basis under this chapter of any property disposed of during the taxable year. The
24 Internal Revenue Code as amended to December 31, 1993, excluding sections 103,
25 104, and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203

1 (d), and 13215 of P.L. 103–66, and as amended by P.L. 103–296, P.L. 103–337, P.L.
2 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding
3 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206
4 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,
5 and as indirectly affected in the provisions applicable to this subchapter by P.L.
6 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.
7 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.
8 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150
9 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103–66, P.L. 103–296, P.L. 103–337,
10 P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding
11 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206
12 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,
13 applies for Wisconsin purposes at the same time as for federal purposes.
14 Amendments to the Internal Revenue Code enacted after December 31, 1993, do not
15 apply to this subdivision with respect to taxable years that begin after
16 December 31, 1993, and before January 1, 1995, except that changes to the Internal
17 Revenue Code made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7,
18 excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.
19 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277,
20 and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and changes that
21 indirectly affect the provisions applicable to this subchapter made by P.L. 103–296,
22 P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L.
23 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
24 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162

1 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time as for federal
2 purposes.

3 *~~4575/3.39~~* **SECTION 196.** 71.26 (2) (b) 10. of the statutes is amended to read:

4 71.26 (2) (b) 10. For taxable years that begin after December 31, 1994, and
5 before January 1, 1996, for a corporation, conduit or common law trust which
6 qualifies as a regulated investment company, real estate mortgage investment
7 conduit or real estate investment trust under the Internal Revenue Code as amended
8 to December 31, 1994, excluding sections 103, 104, and 110 of P.L. 102–227 and
9 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, and as
10 amended by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311, and 1605
11 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L.
12 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and as
13 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.
14 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
15 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
16 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
17 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
18 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311, and 1605 of P.L. 104–188,
19 P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L.
20 106–554, excluding sections 162 and 165 of P.L. 106–554, “net income” means the
21 federal regulated investment company taxable income, federal real estate mortgage
22 investment conduit taxable income or federal real estate investment trust taxable
23 income of the corporation, conduit or trust as determined under the Internal
24 Revenue Code as amended to December 31, 1994, excluding sections 103, 104, and
25 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)

1 of P.L. 103–66, and as amended by P.L. 104–7, P.L. 104–188, excluding sections 1202,
2 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L.
3 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L.
4 106–554, and as indirectly affected in the provisions applicable to this subchapter
5 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,
6 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.
7 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150
8 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.
9 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311, and 1605 of
10 P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L.
11 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, except
12 that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be
13 depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as
14 amended to December 31, 1980, shall continue to be depreciated under the Internal
15 Revenue Code as amended to December 31, 1980, and except that the appropriate
16 amount shall be added or subtracted to reflect differences between the depreciation
17 or adjusted basis for federal income tax purposes and the depreciation or adjusted
18 basis under this chapter of any property disposed of during the taxable year. The
19 Internal Revenue Code as amended to December 31, 1994, excluding sections 103,
20 104, and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, and
21 13203 (d) of P.L. 103–66, and as amended by P.L. 104–7, P.L. 104–188, excluding
22 sections 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
23 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162
24 and 165 of P.L. 106–554, and as indirectly affected in the provisions applicable to this
25 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,

1 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104,
2 and 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, excluding sections 162 and 165 of P.L.
7 106–554, applies for Wisconsin purposes at the same time as for federal purposes.
8 Amendments to the Internal Revenue Code enacted after December 31, 1994, do not
9 apply to this subdivision with respect to taxable years that begin after
10 December 31, 1994, and before January 1, 1996, except that changes made by P.L.
11 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311, and 1605 of P.L. 104–188,
12 P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L.
13 106–554, excluding sections 162 and 165 of P.L. 106–554, and changes that indirectly
14 affect the provisions applicable to this subchapter made by P.L. 104–7, P.L. 104–188,
15 excluding sections 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L.
16 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
17 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time
18 as for federal purposes.

19 *–4575/3.40* **SECTION 197.** 71.26 (2) (b) 11. of the statutes is amended to read:
20 71.26 (2) (b) 11. For taxable years that begin after December 31, 1995, and
21 before January 1, 1997, for a corporation, conduit or common law trust which
22 qualifies as a regulated investment company, real estate mortgage investment
23 conduit or real estate investment trust under the Internal Revenue Code as amended
24 to December 31, 1995, excluding sections 103, 104, and 110 of P.L. 102–227 and
25 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, and as

1 amended by P.L. 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L.
2 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and,
3 P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and
4 as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514,
5 P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,
6 P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
7 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
8 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
9 104–7, P.L. 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L.
10 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and,
11 P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, “net
12 income” means the federal regulated investment company taxable income, federal
13 real estate mortgage investment conduit taxable income or federal real estate
14 investment trust taxable income of the corporation, conduit or trust as determined
15 under the Internal Revenue Code as amended to December 31, 1995, excluding
16 sections 103, 104, and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d),
17 13174, and 13203 (d) of P.L. 103–66, and as amended by P.L. 104–188, excluding
18 sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L.
19 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L.
20 106–554, excluding sections 162 and 165 of P.L. 106–554, and as indirectly affected
21 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.
22 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.
23 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L.
24 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
25 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L.

1 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L.
2 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277,
3 and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, except that
4 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated
5 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to
6 December 31, 1980, shall continue to be depreciated under the Internal Revenue
7 Code as amended to December 31, 1980, and except that the appropriate amount
8 shall be added or subtracted to reflect differences between the depreciation or
9 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
10 under this chapter of any property disposed of during the taxable year. The Internal
11 Revenue Code as amended to December 31, 1995, excluding sections 103, 104, and
12 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)
13 of P.L. 103–66, and as amended by P.L. 104–188, excluding sections 1123, 1202, 1204,
14 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34,
15 P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165
16 of P.L. 106–554, and as indirectly affected in the provisions applicable to this
17 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,
18 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104,
19 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections
20 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.
21 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123, 1202,
22 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.
23 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162
24 and 165 of P.L. 106–554, applies for Wisconsin purposes at the same time as for
25 federal purposes. Amendments to the Internal Revenue Code enacted after

1 December 31, 1995, do not apply to this subdivision with respect to taxable years
2 that begin after December 31, 1995, and before January 1, 1997, except that
3 changes to the Internal Revenue Code made by P.L. 104–188, excluding sections
4 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
5 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
6 sections 162 and 165 of P.L. 106–554, and changes that indirectly affect the
7 provisions applicable to this subchapter made by P.L. 104–188, excluding sections
8 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
9 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
10 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time
11 as for federal purposes.

12 *4575/3.41* SECTION 198. 71.26 (2) (b) 12. of the statutes is amended to read:

13 71.26 (2) (b) 12. For taxable years that begin after December 31, 1996, and
14 before January 1, 1998, for a corporation, conduit or common law trust which
15 qualifies as a regulated investment company, real estate mortgage investment
16 conduit, real estate investment trust or financial asset securitization investment
17 trust under the Internal Revenue Code as amended to December 31, 1996, excluding
18 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),
19 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
20 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L. 105–206,
21 P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L.
22 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, and as indirectly
23 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,
24 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,
25 P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L.

1 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
2 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.
3 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) 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, P.L.
5 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L.
6 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, “net income” means
7 the federal regulated investment company taxable income, federal real estate
8 mortgage investment conduit taxable income, federal real estate investment trust
9 or financial asset securitization investment trust taxable income of the corporation,
10 conduit or trust as determined under the Internal Revenue Code as amended to
11 December 31, 1996, excluding sections 103, 104, and 110 of P.L. 102–227, sections
12 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123
13 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188 and as amended by P.L.
14 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554,
15 excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section
16 431 of P.L. 107–16, and as indirectly affected in the provisions applicable to this
17 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,
18 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104,
19 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections
20 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.
21 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202
22 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
23 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554,
24 excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section
25 431 of P.L. 107–16, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985

1 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal
2 Revenue Code as amended to December 31, 1980, shall continue to be depreciated
3 under the Internal Revenue Code as amended to December 31, 1980, and except that
4 the appropriate amount shall be added or subtracted to reflect differences between
5 the depreciation or adjusted basis for federal income tax purposes and the
6 depreciation or adjusted basis under this chapter of any property disposed of during
7 the taxable year. The Internal Revenue Code as amended to December 31, 1996,
8 excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171
9 (d), 13174, and 13203 (d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311,
10 and 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L.
11 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162 and
12 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, and as
13 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.
14 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
15 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
16 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
17 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
18 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
19 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.
20 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162 and
21 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, applies
22 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
23 Internal Revenue Code enacted after December 31, 1996, do not apply to this
24 subdivision with respect to taxable years that begin after December 31, 1996, and
25 before January 1, 1998, except that changes to the Internal Revenue Code made by

1 P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554,
2 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section
3 431 of P.L. 107-16, and changes that indirectly affect the provisions applicable to this
4 subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L.
5 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.
6 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the
7 same time as for federal purposes.

8 *~~4575/3.42~~* SECTION 199. 71.26 (2) (b) 13. of the statutes is amended to read:

9 71.26 (2) (b) 13. For taxable years that begin after December 31, 1997, and
10 before January 1, 1999, for a corporation, conduit or common law trust which
11 qualifies as a regulated investment company, real estate mortgage investment
12 conduit, real estate investment trust or financial asset securitization investment
13 trust under the Internal Revenue Code as amended to December 31, 1997, excluding
14 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
15 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
16 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L.
17 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, ~~P.L. 106-554~~ excluding
18 sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L.
19 107-16, and as indirectly affected in the provisions applicable to this subchapter by
20 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, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
24 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
25 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.

1 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,
2 P.L. 106-554, ~~P.L. 106-554~~ excluding sections 162 and 165 of P.L. 106-554, and P.L.
3 107-16, excluding section 431 of P.L. 107-16, "net income" means the federal
4 regulated investment company taxable income, federal real estate mortgage
5 investment conduit taxable income, federal real estate investment trust or financial
6 asset securitization investment trust taxable income of the corporation, conduit or
7 trust as determined under the Internal Revenue Code as amended to December 31,
8 1997, excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d),
9 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204
10 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206,
11 P.L. 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, ~~P.L. 106-554~~ excluding
12 sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L.
13 107-16, and as indirectly affected in the provisions applicable to this subchapter by
14 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,
15 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
16 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
17 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
18 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
19 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
20 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,
21 P.L. 106-554, ~~P.L. 106-554~~ excluding sections 162 and 165 of P.L. 106-554, and P.L.
22 107-16, excluding section 431 of P.L. 107-16, except that property that, under s.
23 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983
24 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall
25 continue to be depreciated under the Internal Revenue Code as amended to

1 December 31, 1980, and except that the appropriate amount shall be added or
2 subtracted to reflect differences between the depreciation or adjusted basis for
3 federal income tax purposes and the depreciation or adjusted basis under this
4 chapter of any property disposed of during the taxable year. The Internal Revenue
5 Code as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.
6 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,
7 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as
8 amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170,
9 P.L. 106–554, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L.
10 107–16, excluding section 431 of P.L. 107–16, and as indirectly affected in the
11 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647,
12 P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
13 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
14 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
15 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
16 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, P.L.
17 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
18 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and
19 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, applies
20 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
21 Internal Revenue Code enacted after December 31, 1997, do not apply to this
22 subdivision with respect to taxable years that begin after December 31, 1997, and
23 before January 1, 1999, except that changes to the Internal Revenue Code made by
24 P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L.
25 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding

1 section 431 of P.L. 107-16, and changes that indirectly affect the provisions
2 applicable to this subchapter made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
3 106-36 and and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
4 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin
5 purposes at the same time as for federal purposes.

6 *~~4575/3.43~~* **SECTION 200.** 71.26 (2) (b) 14. of the statutes is amended to read:
7 71.26 (2) (b) 14. For taxable years that begin after December 31, 1998, and
8 before January 1, 2000, for a corporation, conduit or common law trust which
9 qualifies as a regulated investment company, real estate mortgage investment
10 conduit, real estate investment trust or financial asset securitization investment
11 trust under the Internal Revenue Code as amended to December 31, 1998, excluding
12 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
13 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
14 1605 (d) of P.L. 104-188, and as amended by P.L. 106-36 and, P.L. 106-170, P.L.
15 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
16 section 431 of P.L. 107-16, and as indirectly affected in the provisions applicable to
17 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
18 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
19 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
20 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
21 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
22 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
23 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
24 106-36 and, P.L. 106-170, 106-554, excluding sections 162 and 165 of P.L. 106-554,
25 and P.L. 107-16, excluding section 431 of P.L. 107-16, “net income” means the federal

1 regulated investment company taxable income, federal real estate mortgage
2 investment conduit taxable income, federal real estate investment trust or financial
3 asset securitization investment trust taxable income of the corporation, conduit or
4 trust as determined under the Internal Revenue Code as amended to December 31,
5 1998, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d),
6 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204
7 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–36 and, P.L.
8 106–170, 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16,
9 excluding section 431 of P.L. 107–16, and as indirectly affected in the provisions
10 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.
11 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
12 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
13 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
14 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
15 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
16 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
17 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and
18 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, except
19 that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be
20 depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as
21 amended to December 31, 1980, shall continue to be depreciated under the Internal
22 Revenue Code as amended to December 31, 1980, and except that the appropriate
23 amount shall be added or subtracted to reflect differences between the depreciation
24 or adjusted basis for federal income tax purposes and the depreciation or adjusted
25 basis under this chapter of any property disposed of during the taxable year. The

1 Internal Revenue Code as amended to December 31, 1998, excluding sections 103,
2 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
3 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
4 104-188, and as amended by P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding
5 sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L.
6 107-16, and as indirectly affected in the provisions applicable to this subchapter by
7 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,
8 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
9 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
10 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
11 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
12 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
13 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,
14 P.L. 106-554, excluding sections 162 and 165 of 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, 1998, do not apply to this subdivision with respect to taxable years that
18 begin after December 31, 1998, and before January 1, 2000, except that changes to
19 the Internal Revenue Code made by P.L. 106-36 and, P.L. 106-170, P.L. 106-554,
20 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section
21 431 of P.L. 107-16, and changes that indirectly affect the provisions applicable to this
22 subchapter made by P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections
23 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16,
24 apply for Wisconsin purposes at the same time as for federal purposes.

25 *~~4575/3.44~~* SECTION 201. 71.26 (2) (b) 15. of the statutes is amended to read:

1 71.26 (2) (b) 15. For taxable years that begin after December 31, 1999, for a
2 corporation, conduit or common law trust which qualifies as a regulated investment
3 company, real estate mortgage investment conduit, real estate investment trust or
4 financial asset securitization investment trust under the Internal Revenue Code as
5 amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102-227,
6 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections
7 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L.
8 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
9 section 431 of P.L. 107-16, and as indirectly affected in the provisions applicable to
10 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
11 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
12 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
13 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
14 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
15 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
16 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
17 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
18 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, “net income” means
19 the federal regulated investment company taxable income, federal real estate
20 mortgage investment conduit taxable income, federal real estate investment trust
21 or financial asset securitization investment trust taxable income of the corporation,
22 conduit or trust as determined under the Internal Revenue Code as amended to
23 December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102-227, sections
24 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123
25 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L.

1 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
2 section 431 of P.L. 107-16, and as indirectly affected in the provisions applicable to
3 this subchapter 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. 101-508, P.L. 102-227, excluding sections
5 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
6 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
7 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
8 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
9 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
10 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
11 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, except that property
12 that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for
13 taxable years 1983 to 1986 under the Internal Revenue Code as amended to
14 December 31, 1980, shall continue to be depreciated under the Internal Revenue
15 Code as amended to December 31, 1980, and except that the appropriate amount
16 shall be added or subtracted to reflect differences between the depreciation or
17 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
18 under this chapter of any property disposed of during the taxable year. The Internal
19 Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and
20 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
21 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
22 and as amended by P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and
23 P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly affected in the
24 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
25 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,

1 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
2 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
3 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
4 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
5 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
6 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and
7 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, applies
8 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
9 Internal Revenue Code enacted after December 31, 1999, do not apply to this
10 subdivision with respect to taxable years that begin after December 31, 1999, except
11 that changes to the Internal Revenue Code made by P.L. 106-554, excluding sections
12 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16,
13 and changes that indirectly affect the provisions applicable to this subchapter made
14 by P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16,
15 excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the same time
16 as for federal purposes. KJF

17 *b2335/2.2* SECTION 204b. 71.26 (3) (y) of the statutes is amended to read: JLD
18 71.26 (3) (y) A corporation ~~may~~ shall compute amortization and depreciation
19 under either the federal Internal Revenue Code as amended to December 31, 1999,
20 ~~or the federal Internal Revenue Code in effect for the taxable year for which the~~
21 ~~return is filed 2000,~~ except that property first placed in service by the taxpayer on
22 or after January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and
23 (br), 1985 stats., is required to be depreciated under the Internal Revenue Code as
24 amended to December 31, 1980, and property first placed in service in taxable year
25 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985

1 stats., is required to be depreciated under the Internal Revenue Code as amended
2 to December 31, 1980, shall continue to be depreciated under the Internal Revenue
3 Code as amended to December 31, 1980.

4 ~~*-4575/3.49*~~ **SECTION 206.** 71.34 (1g) (g) of the statutes, as affected by 2001
5 Wisconsin Act 16, is repealed.

6 ~~*-4575/3.50*~~ **SECTION 207.** 71.34 (1g) (h) of the statutes is repealed.

7 ~~*-4575/3.51*~~ **SECTION 208.** 71.34 (1g) (i) of the statutes is amended to read:

8 71.34 (1g) (i) “Internal Revenue Code” for tax-option corporations, for taxable
9 years that begin after December 31, 1993, and before January 1, 1995, means the
10 federal Internal Revenue Code as amended to December 31, 1993, excluding
11 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
12 13174, 13203 (d), and 13215 of P.L. 103-66, and as amended by P.L. 103-296, P.L.
13 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188,
14 excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
15 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L.
16 106-554, and as indirectly affected in the provisions applicable to this subchapter
17 by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d)
18 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
19 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
20 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
21 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, 13203
22 (d), and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7,
23 excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L.
24 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
25 and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, except that section

1 1366 (f) (relating to pass-through of items to shareholders) is modified by
2 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
3 Internal 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, 1993, do not apply to this paragraph with respect to taxable years
6 beginning after December 31, 1993, and before January 1, 1995, except that
7 changes to the Internal Revenue Code made by P.L. 103-296, P.L. 103-337, P.L.
8 103-465, 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, excluding sections 162 and 165 of P.L. 106-554,
11 and changes that indirectly affect the provisions applicable to this subchapter made
12 by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L.
13 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L.
14 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding
15 sections 162 and 165 of P.L. 106-554, apply for Wisconsin purposes at the same time
16 as for federal purposes.

17 *~~4575/3.52~~* SECTION 209. 71.34 (1g) (j) of the statutes is amended to read:

18 71.34 (1g) (j) "Internal Revenue Code" for tax-option corporations, for taxable
19 years that begin after December 31, 1994, and before January 1, 1996, means the
20 federal Internal Revenue Code as amended to December 31, 1994, excluding
21 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
22 13174, and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-188,
23 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
24 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding
25 sections 162 and 165 of P.L. 106-554, and as indirectly affected in the provisions

1 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding
2 sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514
3 and section 1008 (g) (5) of 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 1202, 1204, 1311, and 1605 of
8 P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L.
9 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, except
10 that section 1366 (f) (relating to pass-through of items to shareholders) is modified
11 by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375.
12 The Internal Revenue Code applies for Wisconsin purposes at the same time as for
13 federal purposes. Amendments to the federal Internal Revenue Code enacted after
14 December 31, 1994, do not apply to this paragraph with respect to taxable years
15 beginning after December 31, 1994, and before January 1, 1996, except changes to
16 the Internal Revenue Code made by P.L. 104–7, P.L. 104–188, excluding sections
17 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34,
18 P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165
19 of P.L. 106–554, and changes that indirectly affect the provisions applicable to this
20 subchapter made by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311
21 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and,
22 P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,
23 apply for Wisconsin purposes at the same time as for federal purposes.

24 *–4575/3.53* SECTION 210. 71.34 (1g) (k) of the statutes is amended to read:

1 71.34 (1g) (k) “Internal Revenue Code” for tax-option corporations, for taxable
2 years that begin after December 31, 1995, and before January 1, 1997, means the
3 federal Internal Revenue Code as amended to December 31, 1995, excluding
4 sections 103, 104, and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d),
5 13174, and 13203 (d) of P.L. 103–66, and as amended by P.L. 104–188, excluding
6 sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L.
7 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L.
8 106–554, excluding sections 162 and 165 of 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 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823
11 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L.
12 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections
13 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding
14 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L.
15 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, 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, excluding
18 sections 162 and 165 of P.L. 106–554, except that section 1366 (f) (relating to
19 pass-through of items to shareholders) is modified by substituting the tax under s.
20 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies
21 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
22 federal Internal Revenue Code enacted after December 31, 1995, do not apply to this
23 paragraph with respect to taxable years beginning after December 31, 1995, and
24 before January 1, 1997, except that changes to the Internal Revenue Code made by
25 P.L. 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188,

1 P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L.
2 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and
3 changes that indirectly affect the provisions applicable to this subchapter made by
4 P.L. 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188,
5 P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L.
6 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, apply for
7 Wisconsin purposes at the same time as for federal purposes.

8 *~~4575/3.54~~* **SECTION 211.** 71.34 (1g) (L) of the statutes is amended to read:
9 71.34 (1g) (L) “Internal Revenue Code” for tax–option corporations, for taxable
10 years that begin after December 31, 1996, and before January 1, 1998, means the
11 federal Internal Revenue Code as amended to December 31, 1996, excluding
12 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),
13 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
14 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L. 105–206,
15 P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L.
16 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, and as indirectly
17 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,
18 P.L. 100–647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and
19 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of 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 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L.
25 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, P.L.

1 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
2 section 431 of P.L. 107-16, except that section 1366 (f) (relating to pass-through of
3 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes
4 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin
5 purposes at the same time as for federal purposes. Amendments to the federal
6 Internal Revenue Code enacted after December 31, 1996, do not apply to this
7 paragraph with respect to taxable years beginning after December 31, 1996, and
8 before January 1, 1998, except that changes to the Internal Revenue Code made by
9 P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554,
10 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section
11 431 of P.L. 107-16, and changes that indirectly affect the provisions applicable to this
12 subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L.
13 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.
14 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the
15 same time as for federal purposes.

16 *~~4575/3.55~~* **SECTION 212.** 71.34 (1g) (m) of the statutes is amended to read:
17 71.34 (1g) (m) "Internal Revenue Code" for tax-option corporations, for taxable
18 years that begin after December 31, 1997, and before January 1, 1999, means the
19 federal Internal Revenue Code as amended to December 31, 1997, excluding sections
20 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
21 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
22 of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
23 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
24 106-554, 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,

1 P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and
2 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L.
3 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
4 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
5 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
6 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
7 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
8 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
9 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
10 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, except that section
11 1366 (f) (relating to pass-through of items to shareholders) is modified by
12 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
13 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
14 purposes. Amendments to the federal Internal Revenue Code enacted after
15 December 31, 1997, do not apply to this paragraph with respect to taxable years
16 beginning after December 31, 1997, and before January 1, 1999, except that
17 changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L.
18 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and
19 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, and
20 changes that indirectly affect the provisions applicable to this subchapter made by
21 P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170, P.L.
22 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
23 section 431 of P.L. 107-16, apply for Wisconsin purposes at the same time as for
24 federal purposes.

25 *4575/3.56* SECTION 213. 71.34 (1g) (n) of the statutes is amended to read:

1 71.34 (1g) (n) “Internal Revenue Code” for tax-option corporations, for taxable
2 years that begin after December 31, 1998, and before January 1, 2000, means the
3 federal Internal Revenue Code as amended to December 31, 1998, excluding sections
4 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and
5 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
6 of P.L. 104–188, and as amended by P.L. 106–36 and, P.L. 106–170, P.L. 106–554,
7 excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section
8 431 of P.L. 107–16, and as indirectly affected in the provisions applicable to this
9 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2)
10 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008
11 (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.
12 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
13 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
14 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
15 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
16 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.
17 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554,
18 excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section
19 431 of P.L. 107–16, except that section 1366 (f) (relating to pass-through of items to
20 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under
21 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes
22 at the same time as for federal purposes. Amendments to the federal Internal
23 Revenue Code enacted after December 31, 1998, do not apply to this paragraph with
24 respect to taxable years beginning after December 31, 1998, and before
25 January 1, 2000, except that changes to the Internal Revenue Code made by P.L.

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1 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
2 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, and changes that
3 indirectly affect the provisions applicable to this subchapter made by P.L. 106-36
4 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and
5 P.L. 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at
6 the same time as for federal purposes.

7 *4575/3.57* SECTION 214. 71.34 (1g) (o) of the statutes is amended to read:

8 71.34 (1g) (o) "Internal Revenue Code" for tax-option corporations, for taxable
9 years that begin after December 31, 1999, means the federal Internal Revenue Code
10 as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.
11 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
12 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
13 amended by P.L. 106-554, *score comma* excluding sections 162 and 165 of P.L. 106-554, and P.L.
14 107-16, excluding section 431 of P.L. 107-16, and as indirectly affected in the
15 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
16 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2)
17 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.
18 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and
19 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
20 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
21 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
22 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
23 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.
24 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.
25 107-16, excluding section 431 of P.L. 107-16, except that section 1366 (f) (relating

1 to pass-through of items to shareholders) is modified by substituting the tax under
2 s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code
3 applies for Wisconsin purposes at the same time as for federal purposes.
4 Amendments to the federal Internal Revenue Code enacted after December 31, 1999,
5 do not apply to this paragraph with respect to taxable years beginning after
6 December 31, 1999, except that changes to the Internal Revenue Code made by P.L.
7 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
8 section 431 of P.L. 107-16, and changes that indirectly affect the provisions
9 applicable to this subchapter made by P.L. 106-554, excluding sections 162 and 165
10 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, apply for
11 Wisconsin purposes at the same time as for federal purposes.

12 *b2335/2.3* SECTION 217b. 71.365 (1m) of the statutes is amended to read:

13 71.365 (1m) TAX-OPTION CORPORATIONS; DEPRECIATION. A tax-option corporation
14 ~~may shall~~ compute amortization and depreciation under either the federal Internal
15 Revenue Code as amended to December 31, 1999, ~~or the federal Internal Revenue~~
16 ~~Code in effect for the taxable year for which the return is filed 2000~~, except that
17 property first placed in service by the taxpayer on or after January 1, 1983, but
18 before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required
19 to be depreciated under the Internal Revenue Code as amended to
20 December 31, 1980, and property first placed in service in taxable year 1981 or
21 thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is
22 required to be depreciated under the Internal Revenue Code as amended to
23 December 31, 1980, shall continue to be depreciated under the Internal Revenue
24 Code as amended to December 31, 1980. Any difference between the adjusted basis
25 for federal income tax purposes and the adjusted basis under this chapter shall be

1 taken into account in determining net income or loss in the year or years for which
2 the gain or loss is reportable under this chapter. If that property was placed in
3 service by the taxpayer during taxable year 1986 and thereafter but before the
4 property is used in the production of income subject to taxation under this chapter,
5 the property's adjusted basis and the depreciation or other deduction schedule are
6 not required to be changed from the amount allowable on the owner's federal income
7 tax returns for any year because the property is used in the production of income
8 subject to taxation under this chapter. If that property was acquired in a transaction
9 in taxable year 1986 or thereafter in which the adjusted basis of the property in the
10 hands of the transferee is the same as the adjusted basis of the property in the hands
11 of the transferor, the Wisconsin adjusted basis of that property on the date of transfer
12 is the adjusted basis allowable under the Internal Revenue Code as defined for
13 Wisconsin purposes for the property in the hands of the transferor.

14 *~~4575/3.62~~* **SECTION 219.** 71.42 (2) (f) of the statutes is repealed.

15 *~~4575/3.63~~* **SECTION 220.** 71.42 (2) (g) of the statutes is repealed.

16 *~~4575/3.64~~* **SECTION 221.** 71.42 (2) (h) of the statutes is amended to read:

17 71.42 (2) (h) For taxable years that begin after December 31, 1993, and before
18 January 1, 1995, "Internal Revenue Code" means the federal Internal Revenue Code
19 as amended to December 31, 1993 excluding sections 103, 104, and 110 of P.L.
20 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L.
21 103–66, and as amended by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7,
22 excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.
23 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277,
24 and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and as indirectly
25 affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L.

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 and P.L. 103–66, excluding sections
3 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103–66, P.L. 103–296,
4 P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L.
5 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
6 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162
7 and 165 of P.L. 106–554, except that “Internal Revenue Code” does not include
8 section 847 of the federal Internal Revenue Code. The Internal Revenue Code
9 applies for Wisconsin purposes at the same time as for federal purposes.
10 Amendments to the federal Internal Revenue Code enacted after
11 December 31, 1993, do not apply to this paragraph with respect to taxable years
12 beginning after December 31, 1993, and before January 1, 1995, except that
13 changes to the Internal Revenue Code made by P.L. 103–296, P.L. 103–337, P.L.
14 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding
15 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206
16 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,
17 and changes that indirectly affect the provisions applicable to this subchapter made
18 by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L.
19 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L.
20 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
21 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time
22 as for federal purposes.

23 *–4575/3.65* **SECTION 222.** 71.42 (2) (i) of the statutes is amended to read:

24 71.42 (2) (i) For taxable years that begin after December 31, 1994, and before
25 January 1, 1996, “Internal Revenue Code” means the federal Internal Revenue Code

1 as amended to December 31, 1994, excluding sections 103, 104, and 110 of P.L.
2 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
3 103–66, and as amended by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204,
4 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L.
5 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of 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. 101–508, 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 1202, 1204, 1311, and 1605 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, excluding
13 sections 162 and 165 of P.L. 106–554, except that “Internal Revenue Code” does not
14 include section 847 of the federal Internal Revenue Code. The Internal Revenue
15 Code applies for Wisconsin purposes at the same time as for federal purposes.
16 Amendments to the federal Internal Revenue Code enacted after
17 December 31, 1994, do not apply to this paragraph with respect to taxable years
18 beginning after December 31, 1994, and before January 1, 1996, except that
19 changes to the Internal Revenue Code made by P.L. 104–7, P.L. 104–188, excluding
20 sections 1202, 1204, 1311, and 1605 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, excluding sections 162
22 and 165 of P.L. 106–554, and changes that indirectly affect the provisions applicable
23 to this subchapter made by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204,
24 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L.

1 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L.
2 106-554, apply for Wisconsin purposes at the same time as for federal purposes.

3 *~~4575/3.66~~* **SECTION 223.** 71.42 (2) (j) of the statutes is amended to read:
4 71.42 (2) (j) For taxable years that begin after December 31, 1995, and before
5 January 1, 1997, "Internal Revenue Code" means the federal Internal Revenue Code
6 as amended to December 31, 1995, excluding sections 103, 104, and 110 of P.L.
7 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
8 103-66, and as amended by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311,
9 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.
10 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L.
11 106-554, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
12 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
13 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
14 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
15 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
16 excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191,
17 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
18 106-554, excluding sections 162 and 165 of P.L. 106-554, except that "Internal
19 Revenue Code" does not include section 847 of the federal Internal Revenue Code.
20 The Internal Revenue Code applies for Wisconsin purposes at the same time as for
21 federal purposes. Amendments to the federal Internal Revenue Code enacted after
22 December 31, 1995, do not apply to this paragraph with respect to taxable years
23 beginning after December 31, 1995, and before January 1, 1997, except that
24 changes to the Internal Revenue Code made by P.L. 104-188, excluding sections
25 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.

1 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
2 sections 162 and 165 of P.L. 106–554, and changes that indirectly affect the
3 provisions applicable to this subchapter made by P.L. 104–188, excluding sections
4 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
5 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
6 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time
7 as for federal purposes.

8 *~~4575/3.67~~* **SECTION 224.** 71.42 (2) (k) of the statutes is amended to read:

9 71.42 (2) (k) For taxable years that begin after December 31, 1996, and before
10 January 1, 1998, “Internal Revenue Code” means the federal Internal Revenue Code
11 as amended to December 31, 1996, excluding sections 103, 104, and 110 of P.L.
12 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66
13 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as
14 amended by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36,
15 P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16,
16 excluding section 431 of P.L. 107–16, and as indirectly affected by P.L. 99–514, P.L.
17 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
18 101–508, 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
22 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.
23 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162 and
24 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, except
25 that “Internal Revenue Code” does not include section 847 of the federal Internal

1 Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the
2 same time as for federal purposes. Amendments to the federal Internal Revenue
3 Code enacted after December 31, 1996, do not apply to this paragraph with respect
4 to taxable years beginning after December 31, 1996, and before January 1, 1998,
5 except that changes to the Internal Revenue Code made by P.L. 105–33, P.L. 105–34,
6 P.L. 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162
7 and 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, and
8 changes that indirectly affect the provisions applicable to this subchapter made by
9 P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554,
10 excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section
11 431 of P.L. 107–16, apply for Wisconsin purposes at the same time as for federal
12 purposes.

13 *~~4575/3.68~~* **SECTION 225.** 71.42 (2) (L) of the statutes is amended to read:
14 71.42 (2) (L) For taxable years that begin after December 31, 1997, and before
15 January 1, 1999, “Internal Revenue Code” means the federal Internal Revenue Code
16 as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.
17 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66
18 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as
19 amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170,
20 P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16,
21 excluding section 431 of P.L. 107–16, and as indirectly affected by P.L. 99–514, P.L.
22 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
23 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
24 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
25 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.

1 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
2 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.
3 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554,
4 excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section
5 431 of P.L. 107–16, except that “Internal Revenue Code” does not include section 847
6 of the federal Internal Revenue Code. The Internal Revenue Code applies for
7 Wisconsin purposes at the same time as for federal purposes. Amendments to the
8 federal Internal Revenue Code enacted after December 31, 1997, do not apply to this
9 paragraph with respect to taxable years beginning after December 31, 1997, and
10 before January 1, 1999, except that changes to the Internal Revenue Code made by
11 P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L.
12 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding
13 section 431 of P.L. 107–16, and changes that indirectly affect the provisions
14 applicable to this subchapter made by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.
15 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L.
16 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, apply for Wisconsin
17 purposes at the same time as for federal purposes.

18 *–4575/3.69* **SECTION 226.** 71.42 (2) (m) of the statutes is amended to read:

19 71.42 (2) (m) For taxable years that begin after December 31, 1998, and before
20 January 1, 2000, “Internal Revenue Code” means the federal Internal Revenue Code
21 as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L.
22 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66
23 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as
24 amended by P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and
25 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, and as

1 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
2 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
3 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
4 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
5 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
6 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
7 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
8 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
9 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, except that "Internal
10 Revenue Code" does not include section 847 of the federal Internal Revenue Code.
11 The Internal Revenue Code applies for Wisconsin purposes at the same time as for
12 federal purposes. Amendments to the federal Internal Revenue Code enacted after
13 December 31, 1998, do not apply to this paragraph with respect to taxable years
14 beginning after December 31, 1998, and before January 1, 2000, except that
15 changes to the Internal Revenue Code made by P.L. 106-36 and, P.L. 106-170, P.L.
16 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
17 section 431 of P.L. 107-16, and changes that indirectly affect the provisions
18 applicable to this subchapter made by P.L. 106-36 and, P.L. 106-170, P.L. 106-554,
19 excluding sections 162 and 165 of P.L. 106-554, ^{check Δ} and P.L. 107-16, excluding section
20 431 of P.L. 107-16, apply for Wisconsin purposes at the same time as for federal
21 purposes.

22 *~~4575/3.70~~* **SECTION 227.** 71.42 (2) (n) of the statutes is amended to read:

23 71.42 (2) (n) For taxable years that begin after December 31, 1999, "Internal
24 Revenue Code" means the federal Internal Revenue Code as amended to
25 December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102-227, sections

1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123
2 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L.
3 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
4 section 431 of P.L. 107-16, and as indirectly affected by P.L. 99-514, P.L. 100-203,
5 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508,
6 P.L. 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 and, P.L. 106-170, P.L. 106-554, excluding
12 sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L.
13 107-16, except that "Internal Revenue Code" does not include section 847 of the
14 federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin
15 purposes at the same time as for federal purposes. Amendments to the federal
16 Internal Revenue Code enacted after December 31, 1999, do not apply to this
17 paragraph with respect to taxable years beginning after December 31, 1999, except
18 that changes to the Internal Revenue Code made by P.L. 106-554, excluding sections
19 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16,
20 and changes that indirectly affect the provisions applicable to this subchapter made
21 by P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16,
22 excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the same time
23 as for federal purposes.

24 *b2335/2.4* SECTION 230b. 71.45 (2) (a) 13. of the statutes is amended to read:

1 71.45 (2) (a) 13. By adding or subtracting, as appropriate, the difference
2 ~~between the depreciation deduction under the federal Internal Revenue Code as~~
3 ~~amended to December 31, 1999 and the depreciation deduction under the federal~~
4 ~~Internal Revenue Code in effect for the taxable year for which the return is filed, so~~
5 ~~as to reflect the fact that the insurer may choose between these 2 deductions 2000,~~
6 except that property first placed in service by the taxpayer on or after
7 January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br),
8 1985 stats., is required to be depreciated under the Internal Revenue Code as
9 amended to December 31, 1980, and property first placed in service in taxable year
10 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985
11 stats., is required to be depreciated under the Internal Revenue Code as amended
12 to December 31, 1980, shall continue to be depreciated under the Internal Revenue
13 Code as amended to December 31, 1980.

14 *~~4548/2.66~~* *~~3266/P1.41~~* **SECTION 232.** 71.83 (2) (b) of the statutes is
15 amended to read:

16 71.83 (2) (b) *Felony*. 1. ‘False income tax return; fraud.’ Any person, other than
17 a corporation or limited liability company, who renders a false or fraudulent income
18 tax return with intent to defeat or evade any assessment required by this chapter
19 ~~shall be is~~ guilty of a Class H felony and may be ~~fined not more than \$10,000 or~~
20 ~~imprisoned for not more than 7 years and 6 months or both, together with assessed~~
21 the cost of prosecution. In this subdivision, “return” includes a separate return filed
22 by a spouse with respect to a taxable year for which a joint return is filed under s.
23 71.03 (2) (g) to (L) after the filing of that separate return, and a joint return filed by
24 the spouses with respect to a taxable year for which a separate return is filed under
25 s. 71.03 (2) (m) after the filing of that joint return.

1 2. ‘Officer of a corporation; false franchise or income tax return.’ Any officer
2 of a corporation or manager of a limited liability company required by law to make,
3 render, sign or verify any franchise or income tax return, who makes any false or
4 fraudulent franchise or income tax return, with intent to defeat or evade any
5 assessment required by this chapter ~~shall be~~ is guilty of a Class H felony and may
6 ~~be fined not more than \$10,000 or imprisoned for not more than 7 years and 6 months~~
7 ~~or both, together with~~ assessed the cost of prosecution.

8 3. ‘Evasion.’ Any person who removes, deposits or conceals or aids in removing,
9 depositing or concealing any property upon which a levy is authorized with intent
10 to evade or defeat the assessment or collection of any tax administered by the
11 department is guilty of a Class I felony and may be ~~fined not more than \$5,000 or~~
12 ~~imprisoned for not more than 4 years and 6 months or both, together with~~ assessed
13 ~~the costs~~ cost of prosecution.

14 4. ‘Fraudulent claim for credit.’ ~~The~~ A claimant who ~~filed~~ files a claim for credit
15 under s. 71.07, 71.28 or 71.47 or subch. VIII or IX that is false or excessive and ~~was~~
16 ~~filed with fraudulent intent and any person who~~ assisted, with fraudulent intent,
17 assists in the preparation or filing of the false or excessive claim or supplied
18 information upon which the false or excessive claim was prepared, ~~with fraudulent~~
19 ~~intent, is guilty of a Class H felony and~~ may be ~~fined not more than \$10,000 or~~
20 ~~imprisoned for not more than 7 years and 6 months or both, together with~~ assessed
21 the cost of prosecution.

22 ***b2383/1.1* SECTION 233e.** 77.52 (13) of the statutes is amended to read:

23 77.52 (13) For the purpose of the proper administration of this section and to
24 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
25 the tax until the contrary is established. The burden of proving that a sale of tangible

1 personal property or services is not a taxable sale at retail is upon the person who
2 makes the sale unless that person takes from the purchaser a certificate to the effect
3 that the property or service is purchased for resale or is otherwise exempt; except
4 that no certificate is required for sales of cattle, sheep, goats, and pigs that are sold
5 at a livestock market, as defined in s. 95.68 (1) (e), and no certificate is required for
6 sales of commodities, as defined in 7 USC 2, that are consigned for sale in a
7 warehouse in or from which the commodity is deliverable on a contract for future
8 delivery subject to the rules of a commodity market regulated by the U.S. commodity
9 futures trading commission if upon the sale the commodity is not removed from the
10 warehouse.

11 *b2383/1.1* SECTION 233g. 77.53 (10) of the statutes is amended to read:

12 77.53 (10) For the purpose of the proper administration of this section and to
13 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that
14 tangible personal property or taxable services sold by any person for delivery in this
15 state is sold for storage, use, or other consumption in this state until the contrary is
16 established. The burden of proving the contrary is upon the person who makes the
17 sale unless that person takes from the purchaser a certificate to the effect that the
18 property or taxable service is purchased for resale, or otherwise exempt from the tax;
19 except that no certificate is required for sales of cattle, sheep, goats, and pigs that are
20 sold at a livestock market, as defined in s. 95.68 (1) (e), and no certificate is required
21 for sales of commodities, as defined in 7 USC 2, that are consigned for sale in a
22 warehouse in or from which the commodity is deliverable on a contract for future
23 delivery subject to the rules of a commodity market regulated by the U.S. commodity
24 futures trading commission if upon the sale the commodity is not removed from the
25 warehouse.

1 ***b2384/1.2* SECTION 232p.** 73.03 (52) of the statutes is amended to read:

2 73.03 (52) To enter into agreements with the ~~internal revenue service~~ Internal
3 Revenue Service that provide for offsetting state tax refunds against federal tax
4 obligations; and to charge a fee up to \$25 per transaction for such offsets; and
5 offsetting federal tax refunds against state tax obligations, if the agreements provide
6 that setoffs under ss. 71.93 and 71.935 occur before the setoffs under those
7 agreements.

8 ***b2385/1.2* SECTION 232m.** 73.03 (28d) of the statutes is created to read:

9 73.03 (28d) To enter into a contract to participate in the multistate tax
10 commission audit program. The department shall allocate a portion of the amount
11 collected under chs. 71 and 77 through the contract to the appropriation under s.
12 20.566 (1) (hn) to pay the fees necessary to participate in the multistate tax
13 commission audit program. The department shall allocate the remainder of such
14 collections to the general fund.

15 ***b2482/3.2* SECTION 233L.** 77.82 (2) (intro.) of the statutes is amended to read:

16 77.82 (2) PETITION. (intro.) Any owner of land may petition the department to
17 designate any eligible parcel of land as managed forest land. A petition may include
18 any number of eligible parcels under the same ownership in a single municipality.
19 ~~Each petition shall be submitted on a form provided by the department and shall be~~
20 ~~accompanied by a nonrefundable \$10 application fee unless a different amount of the~~
21 ~~fee is established by the department by rule at an amount equal to the average~~
22 ~~expense to the department of recording an order issued under this subchapter. The~~
23 ~~fee shall be deposited in the conservation fund and credited to the appropriation~~
24 ~~under s. 20.370 (1) (cr).~~ Each petition shall include all of the following:

25 ***b2482/3.2* SECTION 233m.** 77.82 (2m) of the statutes is created to read:

1 77.82 (2m) FEES FOR PETITIONS. (a) Except as provided in par. (b), a petition
2 under sub. (2) or (4m) shall be accompanied by a nonrefundable application fee of
3 \$100.

4 (b) If the petition is accompanied by a proposed management plan as provided
5 in par. (c), the nonrefundable application fee shall be \$10 unless a different amount
6 for the fee is established by the department by rule at an amount equal to the average
7 expense to the department of recording an order issued under this subchapter.

8 (c) A proposed management plan that qualifies for the reduced fee under par.
9 (b) shall be one of the following:

10 1. A management plan prepared by a qualified forester, as defined by rule by
11 the department.

12 2. Any other management plan approved by the department.

13 3. For petitions under sub. (4m), a recent management plan that was approved
14 by the department for the forest cropland that is subject to the conversion petition
15 under sub. (4m).

16 (d) All the fees collected under this subsection shall be deposited in the
17 conservation fund. The fees collected under par. (b) and \$10 of each \$100 fee collected
18 under par. (a) shall be credited to the appropriation under s. 20.370 (1) (cr).

19 (e) If the proposed management plan is not approved by the department under
20 its initial review under sub. (3) (a), the department shall collect from the petitioner
21 a fee in an amount equal to \$100 less the amount the petitioner paid under par. (c).

22 ***b2482/3.2* SECTION 233n.** 77.82 (3) (a) of the statutes is amended to read:

23 77.82 (3) (a) The petitioner may submit a proposed management plan for the
24 entire acreage of each parcel with the petition. The department, after considering
25 the owner's forest management objectives as stated under sub. (2) (e), shall review

1 and either approve or disapprove the proposed plan. If the department disapproves
2 a plan, it shall inform the petitioner of the changes necessary to qualify the plan for
3 approval upon subsequent review.

4 ***b2482/3.2* SECTION 233nm.** 77.82 (4) of the statutes is amended to read:

5 77.82 (4) ADDITIONS TO MANAGED FOREST LAND. An owner may petition the
6 department to designate as managed forest land an additional parcel of land in the
7 same municipality if the additional parcel is at least 3 acres in size and is contiguous
8 to any of the owner's designated land. The petition shall be accompanied by a
9 nonrefundable \$10 application fee unless a different amount of the fee is established
10 in the same manner as the fee under sub. ~~(2)~~ (2m) (b). The fee shall be deposited in
11 the conservation fund and credited to the appropriation under s. 20.370 (1) (cr). The
12 petition shall be submitted on a department form and shall contain any additional
13 information required by the department.

14 ***b2482/3.2* SECTION 233o.** 77.82 (4m) (bn) of the statutes is repealed.

15 ***b2482/3.2* SECTION 233p.** 77.82 (4m) (c) of the statutes is repealed.

16 ***b2863/1.4* SECTION 232f.** 71.93 (1) (a) 3. of the statutes, as affected by 2001
17 Wisconsin Act 16, is amended to read:

18 71.93 (1) (a) 3. An amount that the department of health and family services
19 may recover under s. ~~49.45 (2) (a) 10.~~ ~~or~~ 49.497, if the department of health and
20 family services has certified the amount under s. 49.85.

21 ***b3069/3.2* SECTION 233b.** 74.48 of the statutes is repealed.

22 ***b3069/3.2* SECTION 233d.** 74.485 of the statutes is created to read:

23 **74.485 Penalty for converting agricultural land.** (1) DEFINITION. In this
24 section, "agricultural land" has the meaning given in s. 70.32 (2) (c) 1.

1 (2) PENALTY. Except as provided in sub. (4), a person who owns land that has
2 been assessed as agricultural land under s. 70.32 (2r) and who converts the land's
3 use so that the land is not eligible to be assessed as agricultural land under s. 70.32
4 (2r), as determined by the assessor of the taxation district in which the land is
5 located, shall pay a penalty to the county in which the land is located in an amount,
6 calculated by the county treasurer, that is equal to the number of acres converted
7 multiplied by the amount of the difference between the average fair market value of
8 an acre of agricultural land sold in the county in the year before the year that the
9 person converts the land, as determined under sub. (3), and the average equalized
10 value of an acre of agricultural land in the county in the year before the year that the
11 person converts the land, as determined under sub. (3), multiplied by the following:

12 (a) Five percent, if the converted land is more than 30 acres.

13 (b) Seven and one-half percent, if the converted land is 30 acres or less but at
14 least 10 acres.

15 (c) Ten percent, if the converted land is less than 10 acres.

16 (3) VALUE DETERMINATION. Annually, the department of revenue shall
17 determine the average equalized value of an acre of agricultural land in each county
18 in the previous year, as provided under s. 70.57, and the average fair market value
19 of an acre of agricultural land sold in each county in the previous year based on the
20 sales in each county in the previous year of parcels of agricultural land that are 38
21 acres or more to buyers who intend to use the land as agricultural land.

22 (4) EXCEPTIONS AND DEFERRAL. (a) A person who owns land that has been
23 assessed as agricultural land under s. 70.32 (2r) and who converts the land's use so
24 that the land is not eligible to be assessed as agricultural land under s. 70.32 (2r) is
25 not subject to a penalty under sub. (2) if the converted land may be assessed as

1 swamp or waste under s. 70.32 (2) (a) 5., as productive forest land under s. 70.32 (2)
2 (a) 6., or as other under s. 70.32 (2) (a) 7. or if the amount of the penalty determined
3 under sub. (2) represents less than \$25 for each acre of converted land.

4 (b) If a person owes a penalty under sub. (2), the treasurer of the county in
5 which the person's land is located may defer payment of the penalty to the succeeding
6 taxable year if the person demonstrates to the assessor of the taxation district in
7 which the land is located that the person's land will be used as agricultural land in
8 the succeeding taxable year. A person who receives a deferral under this paragraph
9 is not subject to the penalty under sub. (2) related to the deferral, if the person's land
10 is used as agricultural land in the succeeding taxable year. If the land of a person
11 who receives a deferral under this paragraph is not used as agricultural land in the
12 succeeding taxable year, the person shall pay the penalty with interest at the rate
13 of 1% a month, or fraction of a month, from the date that the treasurer granted a
14 deferral to the date that the penalty is paid.

15 (5) PAYMENT. Except as provided in sub. (4), a person who owes a penalty under
16 sub. (2) shall pay the penalty to the county in which the person's land related to the
17 penalty is located no later than 30 days after the date that the penalty is assessed.
18 A penalty that is not paid on the date it is due is considered delinquent and shall be
19 paid with interest at the rate of 1% a month, or fraction of a month, from the date that
20 the penalty is assessed to the date that the penalty is paid. The county shall collect
21 an unpaid penalty as a special charge against the land related to the penalty.

22 (6) DISTRIBUTION. A county that collects a penalty under this section shall
23 distribute 50% of the amount of the penalty to the taxation district in which the land
24 related to the penalty is located. If the land related to the penalty is located in 2 or
25 more taxation districts, the county shall distribute 50% of the amount of the penalty

1 to the taxation districts in proportion to the equalized value of the land related to the
2 penalty that is located in each taxation district. A taxation district shall distribute
3 50% of any amount it receives under this subsection to an adjoining taxation district,
4 if the taxation district in which the land related to the penalty is located annexed the
5 land related to the penalty from the adjoining taxation district in either of the 2 years
6 preceding a distribution under this subsection.

7 (7) NOTICE. A person who owns land that has been assessed as agricultural land
8 under s. 70.32 (2r) and who sells the land shall notify the buyer of the land of all of
9 the following:

10 (a) That the land has been assessed as agricultural land under s. 70.32 (2r).

11 (b) Whether the person who owns the land and who is selling the land has been
12 assessed a penalty under sub. (2) related to the land.

13 (c) Whether the person who owns the land and who is selling the land has been
14 granted a deferral under sub. (4) related to the land.

15 (8) TAXATION DISTRICT ASSESSOR. The assessors of the taxation districts located
16 in the county shall inform the county treasurer and the real property lister of all sales
17 of agricultural land located in the county.

18 (9) ADMINISTRATION. The county in which the land as described in sub. (1) is
19 located shall administer the penalty under this section.

20 *b3096/1.1* SECTION 233b. 77.52 (2) (a) 5. of the statutes is renumbered 77.52
21 (2) (a) 5. a. and amended to read:

22 77.52 (2) (a) 5. a. The sale of telecommunications services, except services
23 subject to 4 USC 116 to 126, as amended by P.L. 106-252, that either originate or
24 terminate in this state; except services that are obtained by means of a toll-free
25 number, that originate outside this state and that terminate in this state; and are

1 charged to a service address in this state, regardless of the location where that charge
2 is billed or paid; and the sale of the rights to purchase telecommunications services,
3 including purchasing reauthorization numbers, by paying in advance and by using
4 an access number and authorization code, except sales that are subject to subd. 5. b.

5 ***b3096/1.1* SECTION 233c.** 77.52 (2) (a) 5. b. of the statutes is created to read:

6 77.52 (2) (a) 5. b. The sale of services subject to 4 USC 116 to 126, as amended
7 by P.L. 106-252, if the customer's place of primary use of the services is in this state,
8 as determined under 4 USC 116 to 126, as amended by P.L. 106-252. For purposes
9 of this subd. 5. b., all of the provisions of 4 USC 116 to 126, as amended by P.L.
10 106-252, are adopted, except that if 4 USC 116 to 126, as amended by P.L. 106-252,
11 or the application of 4 USC 116 to 126, as amended by P.L. 106-252, is found
12 unconstitutional the sale of telecommunications services is subject to the tax
13 imposed under this section as provided in subd. 5. a.

14 ***b3096/1.1* SECTION 233e.** 77.52 (3m) (intro.) of the statutes is amended to
15 read:

16 77.52 (3m) (intro.) In regard to the sale of the rights to purchase
17 telecommunications services under sub. (2) (a) 5. a.:

18 ***b3096/1.1* SECTION 233f.** 77.52 (3n) of the statutes is created to read:

19 77.52 (3n) In regard to the sale of the rights to purchase telecommunications
20 services under sub. (2) (a) 5. b., the situs of the sale is as determined under 4 USC
21 116 to 126, as amended by P.L. 106-252.

22 ***b3096/1.1* SECTION 233g.** 77.523 of the statutes is created to read:

23 77.523 **Customer remedy.** If a customer purchases a service that is subject
24 to 4 USC 116 to 126, as amended by P.L. 106-252, and if the customer believes that
25 the amount of the tax assessed for the service under this subchapter or the place of

1 primary use or taxing jurisdiction assigned to the service is erroneous, the customer
2 may request that the service provider correct the alleged error by sending a written
3 notice to the service provider. The notice shall include a description of the alleged
4 error, the street address for the customer's place of primary use of the service, the
5 account name and number of the service for which the customer seeks a correction,
6 and any other information that the service provider reasonably requires to process
7 the request. Within 60 days from the date that a service provider receives a request
8 under this section, the service provider shall review its records to determine the
9 customer's taxing jurisdiction. If the review indicates that there is no error as
10 alleged, the service provider shall explain the findings of the review in writing to the
11 customer. If the review indicates that there is an error as alleged, the service
12 provider shall correct the error and shall refund or credit the amount of any tax
13 collected erroneously, along with the related interest, as a result of the error from the
14 customer in the previous 48 months, consistent with s. 77.59 (4). A customer may
15 take no other action, or commence any action, to correct an alleged error in the
16 amount of the tax assessed under this subchapter on a service that is subject to 4 USC
17 116 to 126, as amended by P.L. 106–252, or to correct an alleged error in the assigned
18 place of primary use or taxing jurisdiction, unless the customer has exhausted his
19 or her remedies under this section.

20 *b3096/1.1* **SECTION 233h.** 77.525 of the statutes is amended to read:

21 **77.525 Reduction to prevent double taxation.** Any person who is subject
22 to the tax under s. 77.52 (2) (a) 5. a. on telecommunications services that terminate
23 in this state and who has paid a similar tax on the same services to another state may
24 reduce the amount of the tax remitted to this state by an amount equal to the similar
25 tax properly paid to another state on those services or by the amount due this state

1 on those services, whichever is less. That person shall refund proportionally to the
2 persons to whom the tax under s. 77.52 (2) (a) 5. a. was passed on an amount equal
3 to the amounts not remitted.

4 ***b3096/1.1* SECTION 233j.** 77.54 (46m) of the statutes is created to read:

5 77.54 (46m) The gross receipts from the sale of and the storage, use, or other
6 consumption of telecommunications services, if the telecommunications services are
7 obtained by using the rights to purchase telecommunications services, including
8 purchasing reauthorization numbers, by paying in advance and by using an access
9 number and authorization code; and if the tax imposed under s. 77.52 or 77.53 was
10 previously paid on the sale or purchase of such rights.

11 ***b3096/1.1* SECTION 233k.** 77.72 (3) (b) of the statutes is amended to read:

12 77.72 (3) (b) *Exceptions.* ~~Communication~~ A communication service has a situs
13 where the customer is billed for the service if the customer calls collect or pays by
14 credit card. Services subject to s. 77.52 (2) (a) 5. b. have a situs at the customer's place
15 of primary use of the services, as determined under 4 USC 116 to 126, as amended
16 by PL. 106-252. Towing services have a situs at the location to which the vehicle is
17 delivered. Services performed on tangible personal property have a situs at the
18 location where the property is delivered to the buyer.

19 ***-4550/8.8* SECTION 234.** 79.01 (1) of the statutes, as affected by 2001
20 Wisconsin Act 16, is amended to read:

21 79.01 (1) There is established an account in the general fund entitled the
22 "Expenditure Restraint Program Account." There shall be appropriated to that
23 account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994; \$48,000,000
24 in each year beginning in 1995 and ending in 1999; \$57,000,000 in the year 2000 and

1 in the year 2001; and \$57,570,000 in 2002; and \$58,145,700 in 2003 and in each year
2 thereafter.

3 ***b2339/2.6* SECTION 234b.** 79.01 (2d) of the statutes is created to read:

4 79.01 (2d) There is established an account in the general fund entitled the
5 "County and Municipal Aid Account." There shall be appropriated to that account
6 \$999,709,900 in 2004 and in each year thereafter.

7 ***b2339/2.7* SECTION 234r.** 79.015 of the statutes is amended to read:

8 **79.015 Statement of estimated payments.** The department of revenue, on
9 or before September 15 of each year, shall provide to each municipality and county
10 a statement of estimated payments to be made in the next calendar year to the
11 municipality or county under ss. 79.03, 79.035, 79.036, 79.04, 79.05, 79.058, and
12 79.06.

13 ***-4550/8.10* SECTION 236.** 79.02 (2) (b) of the statutes is amended to read:

14 79.02 (2) (b) Subject to s. 59.605 (4), payments in July shall equal 15% of the
15 municipality's or county's estimated payments under ss. 79.03, 79.035, 79.036, 79.04,
16 79.058, and 79.06 and 100% of the municipality's estimated payments under s. 79.05.

17 ***-4550/8.12* SECTION 238.** 79.02 (3) of the statutes is amended to read:

18 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in
19 November shall equal that municipality's or county's entitlement to shared revenues
20 under ss. 79.03, 79.035, 79.036, 79.04, 79.05, 79.058, and 79.06 for the current year,
21 minus the amount distributed to the municipality or county in July. In November
22 2002, the amount of the payments to each municipality and county under ss. 79.03,
23 79.04, 79.05, 79.058, and 79.06 to be paid from the appropriation account under s.
24 20.855 (4) (rb) shall be the amount of such payments to the municipality or county
25 multiplied by the quotient of an amount equal to the moneys available, as

1 determined by the department of administration, from the appropriation account
2 under s. 20.855 (4) (rb) divided by \$826,068,930.

3 ***-4462/4.10* SECTION 239.** 79.03 (1) of the statutes is amended to read:

4 79.03 (1) Each Ending with the distributions in 2003, each municipality and
5 county is entitled to shared revenue, consisting of an amount determined on the basis
6 of population under sub. (2), plus an amount determined under sub. (3).

7 ***-4462/4.11* SECTION 240.** 79.03 (3c) (b) (intro.) of the statutes is amended to
8 read:

9 79.03 (3c) (b) *Eligibility.* (intro.) ~~A- Ending with the distributions in 2003, a~~
10 municipality is eligible for a payment under this subsection if all of the following
11 conditions are met:

12 ***-4550/8.13* SECTION 241.** 79.03 (3c) (f) of the statutes, as affected by 2001
13 Wisconsin Act 16, is amended to read:

14 79.03 (3c) (f) *Distribution amount.* If the total amounts calculated under pars.
15 (c) to (e) exceed the total amount to be distributed under this subsection, the amount
16 paid to each eligible municipality shall be paid on a prorated basis. The total amount
17 to be distributed under this subsection from s. 20.835 (1) (b) is \$10,000,000 beginning
18 in 1996 and ending in 1999; and \$11,000,000 in the year 2000 and in the year 2001.
19 The total amount to be distributed under this subsection from ss. 20.835 (1) (b) and
20 20.855 (4) (rb) in 2002 is \$11,110,000 in 2002; and \$11,221,100 in 2003 and in each
21 year thereafter and the total amount to be distributed under this subsection from s.
22 20.835 (1) (b) in 2003 is \$11,221,100.

23 ***-4550/8.14* SECTION 242.** 79.03 (4) of the statutes, as affected by 2001
24 Wisconsin Act 16, is amended to read:

1 79.03 (4) In 1991, the total amount to be distributed under ss. 79.03, 79.04, and
2 79.06 from s. 20.835 (1) (d) is \$869,000,000. In 1992, the total amount to be
3 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$885,961,300.
4 In 1993, the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s.
5 20.835 (1) (d) is \$903,680,500. In 1994, the total amounts to be distributed under this
6 section and ss. 79.04 and 79.06 from s. 20.835 (1) (d) are \$746,547,500 to
7 municipalities and \$168,981,800 to counties. Beginning in 1995 and ending in 2001,
8 the total amounts to be distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835
9 (1) (d) are \$761,478,000 to municipalities and \$168,981,800 to counties. In 2002, the
10 total amounts to be distributed under ss. 79.03, 79.04, and 79.06 from ~~ss.~~ ss. 20.835
11 (1) (d) and 20.855 (4) (rb) are \$769,092,800 to municipalities and \$170,671,600 to
12 counties. In 2003 ~~and subsequent years~~, the total amounts to be distributed
13 under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) are \$776,783,700 to
14 municipalities and \$172,378,300 to counties.

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15 ***-4462/4.12* SECTION 244.** 79.03 (6) of the statutes is created to read:

16 79.03 (6) Beginning in 2004, no municipality or county may receive payments
17 under subs. (2) and (3) and no municipality may receive a payment under sub. (3c).

18 ***b2339/2.24* SECTION 244d.** 79.035 of the statutes is created to read:

19 **79.035 County and municipal aid.** (1) Subject to reductions under s. 79.036
20 (3), in 2004 and subsequent years, each county and municipality shall receive a
21 payment from the county and municipal aid account in an amount determined under
22 sub. (2).

23 (2) (a) 1. For the distribution in 2004, each county and municipality will receive
24 a payment that is equal to the amount of the payments the county or municipality

1 received in 2003 under ss. 79.03, 79.04, 79.05, 79.058, and 79.06, less the amount of
2 the reduction under subd. 2.

3 2. The department of revenue shall reduce the amount of the payments to be
4 distributed to each county and municipality, as determined under subd. 1., by
5 subtracting from such payments an amount based on the county's or municipality's
6 population, as determined by the department, so that the total amount of the
7 reduction to all such payments in 2004 is \$40,000,000, except that the reduction
8 applied to any county's or municipality's payment shall not exceed the amount of the
9 payments specified under subd. 1. distributed to the county or municipality in 2003.

10 (b) For the distribution in 2005 and subsequent years, each county and
11 municipality shall receive a payment under this section that is equal to the amount
12 of the payment determined for the county or municipality under par. (a) in 2004 prior
13 to the reductions under s. 79.036.

14 ***b3084/5.15* SECTION 244f.** 79.036 of the statutes is created to read:

15 **79.036 Consolidation incentive payment.** (1) (a) In 2004 and subsequent
16 years, counties and municipalities that agree to consolidate county or municipal
17 services may receive payments under sub. (2), if such counties and municipalities
18 submit a copy of the consolidation agreement to the department of revenue no later
19 than September 1 of the year preceding the effective date of the consolidation and the
20 department approves the payment.

21 (b) A consolidation agreement submitted under par. (a) shall include an
22 estimate of the savings to each county or municipality that is subject to the
23 agreement that will result from the consolidation of services.

24 (c) No later than September 15 of each year, the department of revenue shall
25 review any agreement submitted under par. (a) and determine whether each county

1 or municipality that is subject to the agreement will receive a payment under sub.
2 (2).

3 (d) The department of revenue shall consider a consolidation ordinance under
4 s. 66.0229 to be an agreement to consolidate municipal services for purposes of this
5 subsection.

6 (2) (a) Subject to review and approval under sub. (1) (c) and the limitations
7 provided under this subsection, each county and municipality that is eligible for a
8 payment under this section shall receive one payment in the first year of the
9 consolidation specified in the agreement submitted under sub. (1) (a) that is equal
10 to 75% the estimated savings to each such county or municipality that result from
11 the consolidation. No county or municipality may receive more than one payment
12 under this section related to the same consolidation agreement.

13 (b) The total amount of all payments under par. (a) distributed in each year may
14 not exceed \$45,000,000. If in any year the department of revenue calculates that the
15 total amount of all payments under par. (a) exceeds \$45,000,000, each county and
16 municipality that is eligible to receive a payment under par. (a) shall receive a
17 payment that is reduced in proportion to the county's or municipality's share of the
18 total payments under par. (a) so that the total amount of all such payments is no more
19 than \$45,000,000.

20 (3) Beginning with distributions in 2004, the payments under s. 79.035 to be
21 distributed to each county and municipality shall be reduced in proportion to the
22 county's or municipality's share of all payments under s. 79.035 in each year so that
23 the total amount of all payments under s. 79.035 is reduced by the total amount to
24 be distributed under sub. (2) in that year.

1 *~~4462/4.13~~* **SECTION 245.** 79.04 (1) (intro.) of the statutes, as affected by 2001
2 Wisconsin Act 16, is amended to read:

3 79.04 (1) (intro.) Annually, ending with the distributions in 2003, the
4 department of administration, upon certification by the department of revenue, shall
5 distribute to a municipality having within its boundaries a production plant or a
6 general structure, including production plants and general structures under
7 construction, used by a light, heat, or power company assessed under s. 76.28 (2) or
8 76.29 (2), except property described in s. 66.0813 unless the production plant is
9 owned or operated by a local governmental unit located outside of the municipality,
10 or by an electric cooperative assessed under ss. 76.07 and 76.48, respectively, or by
11 a municipal electric company under s. 66.0825 the amount determined as follows:

12 *~~4462/4.14~~* **SECTION 246.** 79.04 (2) (a) of the statutes, as affected by 2001
13 Wisconsin Act 16, is amended to read:

14 79.04 (2) (a) Annually, ending with the distributions in 2003, the department
15 of administration, upon certification by the department of revenue, shall distribute
16 from the shared revenue account to any county having within its boundaries a
17 production plant or a general structure, including production plants and general
18 structures under construction, used by a light, heat, or power company assessed
19 under s. 76.28 (2) or 76.29 (2), except property described in s. 66.0813 unless the
20 production plant is owned or operated by a local governmental unit that is located
21 outside of the municipality in which the production plant is located, or by an electric
22 cooperative assessed under ss. 76.07 and 76.48, respectively, or by a municipal
23 electric company under s. 66.0825 an amount determined by multiplying by 6 mills
24 in the case of property in a town and by 3 mills in the case of property in a city or
25 village the first \$125,000,000 of the amount shown in the account, plus leased

1 property, of each public utility except qualified wholesale electric companies, as
2 defined in s. 76.28 (1) (gm), on December 31 of the preceding year for either
3 “production plant, exclusive of land” and “general structures”, or “work in progress”
4 for production plants and general structures under construction, in the case of light,
5 heat, and power companies, electric cooperatives, or municipal electric companies,
6 for all property within the municipality in accordance with the system of accounts
7 established by the public service commission or rural electrification administration,
8 less depreciation thereon as determined by the department of revenue and less the
9 value of treatment plant and pollution abatement equipment, as defined under s.
10 70.11 (21) (a), as determined by the department of revenue plus an amount from the
11 shared revenue account determined by multiplying by 6 mills in the case of property
12 in a town, and 3 mills in the case of property in a city or village, of the total original
13 cost of production plant, general structures, and work-in-progress less depreciation,
14 land, and approved waste treatment facilities of each qualified wholesale electric
15 company, as defined in s. 76.28 (1) (gm), as reported to the department of revenue of
16 all property within the municipality. The total of amounts, as depreciated, from the
17 accounts of all public utilities for the same production plant is also limited to not
18 more than \$125,000,000. The amount distributable to a county in any year shall not
19 exceed \$100 times the population of the county.

20 *~~4462/4.15~~* SECTION 247. 79.04 (4) (a) of the statutes is amended to read:

21 79.04 (4) (a) Annually, ^{plain Δ} ~~ending with the distributions in 2003~~, in addition to the
22 amount distributed under sub. (1), the department of administration shall
23 distribute ^{check Δ} \$50,000 to a municipality if spent nuclear fuel is stored within the
24 municipality on December 31 of the preceding year. If a spent nuclear fuel storage
25 facility is located within one mile of a municipality, that municipality shall receive

1 \$10,000 annually and the municipality where that storage facility is located shall
2 receive \$40,000 annually.

3 *~~4462/4.16~~* SECTION 248. 79.04 (4) (b) of the statutes is amended to read:

4 79.04 (4) (b) Annually, ^{plain Δ} ~~ending with the distributions in 2003~~, in addition to the
5 amount distributed under ^{check Δ} sub. (2), the department of administration shall
6 distribute \$50,000 to a county if spent nuclear fuel is stored within the county on
7 December 31 of the preceding year. If a spent nuclear fuel storage facility is located
8 at a production plant located in more than one county, the payment shall be
9 apportioned according to the formula under sub. (1) (c) 2., except that the formula,
10 as it applies to municipalities in that subdivision, applies to counties in this
11 paragraph. The payment under this paragraph may not be less than \$10,000
12 annually.

13 *~~4462/4.17~~* SECTION 249. 79.04 (5) of the statutes is created to read:

14 79.04 (5) Beginning in 2004, no municipality or county may receive a payment
15 under subs. (1) and (2).

16
17
18 *~~4462/4.18~~* SECTION 250. 79.05 (2) (intro.) of the statutes is amended to read:

19 79.05 (2) (intro.) ~~A~~ Ending with the distributions in 2003, a municipality is
20 eligible for a payment under sub. (3) if it fulfills all of the following requirements:

21 *~~4462/4.19~~* SECTION 251. 79.05 (7) of the statutes is created to read:

22 79.05 (7) Beginning in 2004, no municipality may receive a payment under this
23 section.

24 *~~4462/4.20~~* SECTION 252. 79.058 (1) of the statutes is amended to read:

1 79.058 (1) Each Ending with the distributions in 2003, each county is entitled
2 to a mandate relief payment equal to the per person distribution under sub. (2) times
3 the county's population for the year in which the statement under s. 79.015 is
4 provided as determined under s. 16.96 (2).

5 *~~4550/8.16~~* **SECTION 253.** 79.058 (3) (d) of the statutes, as created by 2001
6 Wisconsin Act 16, is amended to read:

7 79.058 (3) (d) In 2002, \$20,971,400, less amounts paid from the appropriation
8 account under s. 20.855 (4) (rb).

9 *~~462/4.21~~* **SECTION 254bm.** 79.058 (3) (e) of the statutes, as created by 2001
10 Wisconsin Act 16, is amended to read:

11 79.058 (3) (e) In 2003 ~~and subsequent years~~, \$21,181,100.

12 *~~462/4.21~~* **SECTION 255.** 79.058 (4) of the statutes is created to read:

13 79.058 (4) Beginning in 2004, no county may receive a payment under this
14 section.

15 *~~462/4.21~~* **SECTION 256b.** 79.06 (1) (b) of the statutes is amended to read:

16 79.06 (1) (b) If Ending with the distributions in 2003, if the payments to any
17 municipality or county under s. 79.03, excluding payments under s. 79.03 (3c), in
18 1986 or any year thereafter are less than 95% of the combined payments to the
19 municipality or county under this section and s. 79.03, excluding payments under s.
20 79.03 (3c), for the previous year, the municipality or county has an aids deficiency.
21 The amount of the aids deficiency is the amount by which 95% of the combined
22 payments to the municipality or county under this section and s. 79.03, excluding
23 payments under s. 79.03 (3c), in the previous year exceeds the payments to the
24 municipality or county under s. 79.03, excluding payments under s. 79.03 (3c), in the
25 current year.

(E)
(F)