

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

23 *~~4575/3.39~~ **SECTION 196.** 71.26 (2) (b) 10. of the statutes is amended to read:

24 71.26 (2) (b) 10. For taxable years that begin after December 31, 1994, and
25 before January 1, 1996, for a corporation, conduit or common law trust which

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

1 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
2 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
3 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
4 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311, and 1605 of
5 P.L. 104-188, P.L. 104-191, P.L. 104-193, 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, except
7 that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be
8 depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as
9 amended to December 31, 1980, shall continue to be depreciated under the Internal
10 Revenue Code as amended to December 31, 1980, and except that the appropriate
11 amount shall be added or subtracted to reflect differences between the depreciation
12 or adjusted basis for federal income tax purposes and the depreciation or adjusted
13 basis under this chapter of any property disposed of during the taxable year. The
14 Internal Revenue Code as amended to December 31, 1994, excluding sections 103,
15 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and
16 13203 (d) of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-188, excluding
17 sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
18 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162
19 and 165 of P.L. 106-554, and as indirectly affected in the provisions applicable to this
20 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
21 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
22 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
23 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
24 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204,
25 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, applies for Wisconsin purposes at the same time as for federal purposes.
3 Amendments to the Internal Revenue Code enacted after December 31, 1994, do not
4 apply to this subdivision with respect to taxable years that begin after
5 December 31, 1994, and before January 1, 1996, except that changes made by P.L.
6 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188,
7 P.L. 104-191, P.L. 104-193, 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 changes that indirectly
9 affect the provisions applicable to this subchapter made by P.L. 104-7, P.L. 104-188,
10 excluding sections 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L.
11 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding
12 sections 162 and 165 of P.L. 106-554, apply for Wisconsin purposes at the same time
13 as for federal purposes.

14 *~~4575/3.40~~ **SECTION 197.** 71.26 (2) (b) 11. of the statutes is amended to read:
15 71.26 (2) (b) 11. For taxable years that begin after December 31, 1995, and
16 before January 1, 1997, for a corporation, conduit or common law trust which
17 qualifies as a regulated investment company, real estate mortgage investment
18 conduit or real estate investment trust under the Internal Revenue Code as amended
19 to December 31, 1995, excluding sections 103, 104, and 110 of P.L. 102-227 and
20 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, and as
21 amended by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L.
22 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and,
23 P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and
24 as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514,
25 P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239,

1 P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
2 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
3 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
4 104-7, P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L.
5 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and
6 P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, "net
7 income" means the federal regulated investment company taxable income, federal
8 real estate mortgage investment conduit taxable income or federal real estate
9 investment trust taxable income of the corporation, conduit or trust as determined
10 under the Internal Revenue Code as amended to December 31, 1995, excluding
11 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
12 13174, and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-188, excluding
13 sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
14 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277, and P.L.
15 106-554, excluding sections 162 and 165 of P.L. 106-554, and as indirectly affected
16 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.
17 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
18 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
19 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
20 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.
21 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
22 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277,
23 and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, except that
24 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated
25 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to

1 December 31, 1980, shall continue to be depreciated under the Internal Revenue
2 Code as amended to December 31, 1980, and except that the appropriate amount
3 shall be added or subtracted to reflect differences between the depreciation or
4 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
5 under this chapter of any property disposed of during the taxable year. The Internal
6 Revenue Code as amended to December 31, 1995, excluding sections 103, 104, and
7 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)
8 of P.L. 103–66, and as amended by P.L. 104–188, excluding sections 1123, 1202, 1204,
9 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34,
10 P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165
11 of P.L. 106–554, and as indirectly affected in the provisions applicable to this
12 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,
13 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104,
14 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections
15 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.
16 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123, 1202,
17 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.
18 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162
19 and 165 of P.L. 106–554, applies for Wisconsin purposes at the same time as for
20 federal purposes. Amendments to the Internal Revenue Code enacted after
21 December 31, 1995, do not apply to this subdivision with respect to taxable years
22 that begin after December 31, 1995, and before January 1, 1997, except that
23 changes to the Internal Revenue Code made by P.L. 104–188, excluding sections
24 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
25 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding

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

7 *~~4575/3.41~~* **SECTION 198.** 71.26 (2) (b) 12. of the statutes is amended to read:

8 71.26 (2) (b) 12. For taxable years that begin after December 31, 1996, and
9 before January 1, 1998, for a corporation, conduit or common law trust which
10 qualifies as a regulated investment company, real estate mortgage investment
11 conduit, real estate investment trust or financial asset securitization investment
12 trust under the Internal Revenue Code as amended to December 31, 1996, excluding
13 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
14 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
15 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206,
16 P.L. 105-277 and, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L.
17 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly
18 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,
19 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508,
20 P.L. 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, and
22 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.
23 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
24 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L.
25 105-277 and, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L.

1 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, “net income” means
2 the federal regulated investment company taxable income, federal real estate
3 mortgage investment conduit taxable income, federal real estate investment trust
4 or financial asset securitization investment trust taxable income of the corporation,
5 conduit or trust as determined under the Internal Revenue Code as amended to
6 December 31, 1996, excluding sections 103, 104, and 110 of P.L. 102-227, sections
7 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123
8 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188 and as amended by P.L.
9 105-33, 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 as indirectly affected in the provisions applicable to this
12 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
13 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
14 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
15 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
16 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
17 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
18 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554,
19 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section
20 431 of P.L. 107-16, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985
21 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal
22 Revenue Code as amended to December 31, 1980, shall continue to be depreciated
23 under the Internal Revenue Code as amended to December 31, 1980, and except that
24 the appropriate amount shall be added or subtracted to reflect differences between
25 the depreciation or adjusted basis for federal income tax purposes and the

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

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

3 *~~4575/3.42~~* **SECTION 199.** 71.26 (2) (b) 13. of the statutes is amended to read:

4 71.26 (2) (b) 13. For taxable years that begin after December 31, 1997, and
5 before January 1, 1999, for a corporation, conduit or common law trust which
6 qualifies as a regulated investment company, real estate mortgage investment
7 conduit, real estate investment trust or financial asset securitization investment
8 trust under the Internal Revenue Code as amended to December 31, 1997, excluding
9 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
10 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
11 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L.
12 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and
13 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, and as
14 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
15 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.
16 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
17 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
18 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
19 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
20 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
21 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554,
22 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section
23 431 of P.L. 107-16, “net income” means the federal regulated investment company
24 taxable income, federal real estate mortgage investment conduit taxable income,
25 federal real estate investment trust or financial asset securitization investment

1 trust taxable income of the corporation, conduit or trust as determined under the
2 Internal Revenue Code as amended to December 31, 1997, excluding sections 103,
3 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
4 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
5 104–188, and as amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36
6 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and
7 P.L. 107–16, excluding section 431 of P.L. 107–16, and as indirectly affected in the
8 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647,
9 P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
10 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
11 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
12 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
13 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
14 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
15 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and
16 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, 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, 1997, excluding sections 103,
25 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203

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

25 *–4575/3.43* **SECTION 200.** 71.26 (2) (b) 14. of the statutes is amended to read:

1 71.26 (2) (b) 14. For taxable years that begin after December 31, 1998, and
2 before January 1, 2000, for a corporation, conduit or common law trust which
3 qualifies as a regulated investment company, real estate mortgage investment
4 conduit, real estate investment trust or financial asset securitization investment
5 trust under the Internal Revenue Code as amended to December 31, 1998, excluding
6 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),
7 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
8 1605 (d) of P.L. 104–188, and as amended by P.L. 106–36 and, P.L. 106–170, P.L.
9 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding
10 section 431 of P.L. 107–16, and as indirectly affected in the provisions applicable to
11 this subchapter by P.L. 99–514, P.L. 100–203, 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 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L.
17 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.
18 106–36 and, P.L. 106–170, 106–554, excluding sections 162 and 165 of P.L. 106–554,
19 and P.L. 107–16, excluding section 431 of P.L. 107–16, “net income” means the federal
20 regulated investment company taxable income, federal real estate mortgage
21 investment conduit taxable income, federal real estate investment trust or financial
22 asset securitization investment trust taxable income of the corporation, conduit or
23 trust as determined under the Internal Revenue Code as amended to December 31,
24 1998, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d),
25 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204

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

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

19 *~~4575/3.44~~* **SECTION 201.** 71.26 (2) (b) 15. of the statutes is amended to read:

20 71.26 (2) (b) 15. For taxable years that begin after December 31, 1999, for a
21 corporation, conduit or common law trust which qualifies as a regulated investment
22 company, real estate mortgage investment conduit, real estate investment trust or
23 financial asset securitization investment trust under the Internal Revenue Code as
24 amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102-227,
25 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections

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

1 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
2 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
3 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
4 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
5 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, except that property
6 that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for
7 taxable years 1983 to 1986 under the Internal Revenue Code as amended to
8 December 31, 1980, shall continue to be depreciated under the Internal Revenue
9 Code as amended to December 31, 1980, and except that the appropriate amount
10 shall be added or subtracted to reflect differences between the depreciation or
11 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
12 under this chapter of any property disposed of during the taxable year. The Internal
13 Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and
14 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
15 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
16 and as amended by P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and
17 P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly affected in the
18 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
19 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
20 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
21 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
22 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
23 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
24 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
25 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and

1 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, applies
2 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
3 Internal Revenue Code enacted after December 31, 1999, do not apply to this
4 subdivision with respect to taxable years that begin after December 31, 1999, except
5 that changes to the Internal Revenue Code made by P.L. 106-554, excluding sections
6 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16,
7 and changes that indirectly affect the provisions applicable to this subchapter made
8 by P.L. 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, apply for Wisconsin purposes at the same time
10 as for federal purposes.

11 ***b2335/2.2* SECTION 204b.** 71.26 (3) (y) of the statutes is amended to read:

12 71.26 (3) (y) A corporation ~~may~~ shall compute amortization and depreciation
13 ~~under either the federal Internal Revenue Code as amended to December 31, 1999,~~
14 ~~or the federal Internal Revenue Code in effect for the taxable year for which the~~
15 ~~return is filed 2000,~~ except that property first placed in service by the taxpayer on
16 or after January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and
17 (br), 1985 stats., is required to be depreciated under the Internal Revenue Code as
18 amended to December 31, 1980, and property first placed in service in taxable year
19 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985
20 stats., is required to be depreciated under the Internal Revenue Code as amended
21 to December 31, 1980, shall continue to be depreciated under the Internal Revenue
22 Code as amended to December 31, 1980.

23 ***-4575/3.49* SECTION 206.** 71.34 (1g) (g) of the statutes, as affected by 2001
24 Wisconsin Act 16, is repealed.

25 ***-4575/3.50* SECTION 207.** 71.34 (1g) (h) of the statutes is repealed.

1 *~~4575/3.51~~* **SECTION 208.** 71.34 (1g) (i) of the statutes is amended to read:
2 71.34 (1g) (i) "Internal Revenue Code" for tax-option corporations, for taxable
3 years that begin after December 31, 1993, and before January 1, 1995, means the
4 federal Internal Revenue Code as amended to December 31, 1993, excluding
5 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
6 13174, 13203 (d), and 13215 of P.L. 103-66, and as amended by P.L. 103-296, P.L.
7 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188,
8 excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
9 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L.
10 106-554, and as indirectly affected in the provisions applicable to this subchapter
11 by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d)
12 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
13 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
14 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
15 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, 13203
16 (d), and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7,
17 excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L.
18 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
19 and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, except that section
20 1366 (f) (relating to pass-through of items to shareholders) is modified by
21 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
22 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
23 purposes. Amendments to the federal Internal Revenue Code enacted after
24 December 31, 1993, do not apply to this paragraph with respect to taxable years
25 beginning after December 31, 1993, and before January 1, 1995, except that

1 changes to the Internal Revenue Code made by P.L. 103–296, P.L. 103–337, P.L.
2 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding
3 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206
4 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,
5 and changes that indirectly affect the provisions applicable to this subchapter made
6 by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L.
7 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L.
8 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
9 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time
10 as for federal purposes.

11 *~~4575/3.52~~* **SECTION 209.** 71.34 (1g) (j) of the statutes is amended to read:

12 71.34 (1g) (j) “Internal Revenue Code” for tax-option corporations, for taxable
13 years that begin after December 31, 1994, and before January 1, 1996, means the
14 federal Internal Revenue Code as amended to December 31, 1994, excluding
15 sections 103, 104, and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d),
16 13174, and 13203 (d) of P.L. 103–66, and as amended by P.L. 104–7, P.L. 104–188,
17 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L.
18 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
19 sections 162 and 165 of P.L. 106–554, and as indirectly affected in the provisions
20 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding
21 sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514
22 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.
23 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.
24 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150
25 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.

1 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311, and 1605 of
2 P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L.
3 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, except
4 that section 1366 (f) (relating to pass-through of items to shareholders) is modified
5 by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375.
6 The Internal Revenue Code applies for Wisconsin purposes at the same time as for
7 federal purposes. Amendments to the federal Internal Revenue Code enacted after
8 December 31, 1994, do not apply to this paragraph with respect to taxable years
9 beginning after December 31, 1994, and before January 1, 1996, except changes to
10 the Internal Revenue Code made by P.L. 104-7, P.L. 104-188, excluding sections
11 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34,
12 P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165
13 of P.L. 106-554, and changes that indirectly affect the provisions applicable to this
14 subchapter made by P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311
15 and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and,
16 P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,
17 apply for Wisconsin purposes at the same time as for federal purposes.

18 *~~4575/3.53~~* **SECTION 210.** 71.34 (1g) (k) of the statutes is amended to read:

19 71.34 (1g) (k) "Internal Revenue Code" for tax-option corporations, for taxable
20 years that begin after December 31, 1995, and before January 1, 1997, means the
21 federal Internal Revenue Code as amended to December 31, 1995, excluding
22 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
23 13174, and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-188, excluding
24 sections 1123, 1202, 1204, 1311, and 1605 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 and, P.L. 105-277, and P.L.

1 106-554, excluding sections 162 and 165 of P.L. 106-554, and as indirectly affected
2 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.
3 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823
4 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L.
5 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
6 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
7 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
8 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
9 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
10 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding
11 sections 162 and 165 of P.L. 106-554, except that section 1366 (f) (relating to
12 pass-through of items to shareholders) is modified by substituting the tax under s.
13 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies
14 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
15 federal Internal Revenue Code enacted after December 31, 1995, do not apply to this
16 paragraph with respect to taxable years beginning after December 31, 1995, and
17 before January 1, 1997, except that changes to the Internal Revenue Code made by
18 P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188,
19 P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L.
20 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and
21 changes that indirectly affect the provisions applicable to this subchapter made by
22 P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188,
23 P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L.
24 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, apply for
25 Wisconsin purposes at the same time as for federal purposes.

1 *~~4575/3.54~~* **SECTION 211.** 71.34 (1g) (L) of the statutes is amended to read:
2 71.34 (1g) (L) "Internal Revenue Code" for tax-option corporations, for taxable
3 years that begin after December 31, 1996, and before January 1, 1998, means the
4 federal Internal Revenue Code as amended to December 31, 1996, excluding
5 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
6 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
7 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206,
8 P.L. 105-277 and, P.L. 106-36, 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, and as indirectly
10 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,
11 P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and
12 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L.
13 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
14 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
15 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
16 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
17 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
18 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, P.L.
19 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
20 section 431 of P.L. 107-16, except that section 1366 (f) (relating to pass-through of
21 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes
22 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin
23 purposes at the same time as for federal purposes. Amendments to the federal
24 Internal Revenue Code enacted after December 31, 1996, do not apply to this
25 paragraph with respect to taxable years beginning after December 31, 1996, and

1 before January 1, 1998, except that changes to the Internal Revenue Code made by
2 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,
3 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section
4 431 of P.L. 107-16, and changes that indirectly affect the provisions applicable to this
5 subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L.
6 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.
7 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the
8 same time as for federal purposes.

9 *~~4575/3.55~~* **SECTION 212.** 71.34 (1g) (m) of the statutes is amended to read:

10 71.34 (1g) (m) "Internal Revenue Code" for tax-option corporations, for taxable
11 years that begin after December 31, 1997, and before January 1, 1999, means the
12 federal Internal Revenue Code as amended to December 31, 1997, excluding sections
13 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
14 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
15 of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
16 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
17 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly
18 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,
19 P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and
20 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L.
21 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
22 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
23 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
24 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
25 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.

1 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
2 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
3 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, except that section
4 1366 (f) (relating to pass-through of items to shareholders) is modified by
5 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
6 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
7 purposes. Amendments to the federal Internal Revenue Code enacted after
8 December 31, 1997, do not apply to this paragraph with respect to taxable years
9 beginning after December 31, 1997, and before January 1, 1999, except that
10 changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L.
11 105-277, P.L. 106-36 and, P.L. 106-170, 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
13 changes that indirectly affect the provisions applicable to this subchapter made by
14 P.L. 105-178, P.L. 105-206, P.L. 105-277, 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, apply for Wisconsin purposes at the same time as for
17 federal purposes.

18 *~~4575/3.56~~* **SECTION 213.** 71.34 (1g) (n) of the statutes is amended to read:
19 71.34 (1g) (n) "Internal Revenue Code" for tax-option corporations, for taxable
20 years that begin after December 31, 1998, and before January 1, 2000, means the
21 federal Internal Revenue Code as amended to December 31, 1998, excluding sections
22 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
23 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
24 of P.L. 104-188, and as amended by P.L. 106-36 and, P.L. 106-170, P.L. 106-554,
25 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section

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

25 ***4575/3.57*** **SECTION 214.** 71.34 (1g) (o) of the statutes is amended to read:

1 71.34 (1g) (o) “Internal Revenue Code” for tax-option corporations, for taxable
2 years that begin after December 31, 1999, means the federal Internal Revenue Code
3 as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.
4 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
5 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
6 amended by P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.
7 107-16, excluding section 431 of P.L. 107-16, and as indirectly affected in the
8 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
9 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2)
10 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.
11 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and
12 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
13 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
14 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
15 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
16 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.
17 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.
18 107-16, excluding section 431 of P.L. 107-16, except that section 1366 (f) (relating
19 to pass-through of items to shareholders) is modified by substituting the tax under
20 s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code
21 applies for Wisconsin purposes at the same time as for federal purposes.
22 Amendments to the federal Internal Revenue Code enacted after December 31, 1999,
23 do not apply to this paragraph with respect to taxable years beginning after
24 December 31, 1999, except that changes to the Internal Revenue Code made by 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. 106–554, excluding sections 162 and 165
3 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, apply for
4 Wisconsin purposes at the same time as for federal purposes.

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

6 71.365 (1m) TAX-OPTION CORPORATIONS; DEPRECIATION. A tax-option corporation
7 ~~may shall~~ compute amortization and depreciation under either the federal Internal
8 Revenue Code as amended to December 31, 1999, ~~or the federal Internal Revenue~~
9 ~~Code in effect for the taxable year for which the return is filed 2000~~, except that
10 property first placed in service by the taxpayer on or after January 1, 1983, but
11 before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required
12 to be depreciated under the Internal Revenue Code as amended to
13 December 31, 1980, and property first placed in service in taxable year 1981 or
14 thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is
15 required to be depreciated under the Internal Revenue Code as amended to
16 December 31, 1980, shall continue to be depreciated under the Internal Revenue
17 Code as amended to December 31, 1980. Any difference between the adjusted basis
18 for federal income tax purposes and the adjusted basis under this chapter shall be
19 taken into account in determining net income or loss in the year or years for which
20 the gain or loss is reportable under this chapter. If that property was placed in
21 service by the taxpayer during taxable year 1986 and thereafter but before the
22 property is used in the production of income subject to taxation under this chapter,
23 the property's adjusted basis and the depreciation or other deduction schedule are
24 not required to be changed from the amount allowable on the owner's federal income
25 tax returns for any year because the property is used in the production of income

1 subject to taxation under this chapter. If that property was acquired in a transaction
2 in taxable year 1986 or thereafter in which the adjusted basis of the property in the
3 hands of the transferee is the same as the adjusted basis of the property in the hands
4 of the transferor, the Wisconsin adjusted basis of that property on the date of transfer
5 is the adjusted basis allowable under the Internal Revenue Code as defined for
6 Wisconsin purposes for the property in the hands of the transferor.

7 ~~*4575/3.62*~~ **SECTION 219.** 71.42 (2) (f) of the statutes is repealed.

8 ~~*4575/3.63*~~ **SECTION 220.** 71.42 (2) (g) of the statutes is repealed.

9 ~~*4575/3.64*~~ **SECTION 221.** 71.42 (2) (h) of the statutes is amended to read:

10 71.42 (2) (h) For taxable years that begin after December 31, 1993, and before
11 January 1, 1995, "Internal Revenue Code" means the federal Internal Revenue Code
12 as amended to December 31, 1993 excluding sections 103, 104, and 110 of P.L.
13 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L.
14 103-66, and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7,
15 excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L.
16 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
17 and P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and as indirectly
18 affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.
19 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and
20 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486 and P.L. 103-66, excluding sections
21 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66, 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
25 and 165 of P.L. 106-554, except that "Internal Revenue Code" does not include

1 section 847 of the federal Internal Revenue Code. The Internal Revenue Code
2 applies for Wisconsin purposes at the same time as for federal purposes.
3 Amendments to the federal Internal Revenue Code enacted after
4 December 31, 1993, do not apply to this paragraph with respect to taxable years
5 beginning after December 31, 1993, and before January 1, 1995, except that
6 changes to the Internal Revenue Code made by P.L. 103–296, P.L. 103–337, P.L.
7 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding
8 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206
9 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,
10 and changes that indirectly affect the provisions applicable to this subchapter made
11 by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L.
12 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L.
13 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
14 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time
15 as for federal purposes.

16 *~~4575/3.65~~* **SECTION 222.** 71.42 (2) (i) of the statutes is amended to read:

17 71.42 (2) (i) For taxable years that begin after December 31, 1994, and before
18 January 1, 1996, “Internal Revenue Code” means the federal Internal Revenue Code
19 as amended to December 31, 1994, excluding sections 103, 104, and 110 of P.L.
20 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
21 103–66, and as amended by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204,
22 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L.
23 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L.
24 106–554, and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.
25 101–73, 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 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
5 104-193, 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, except that "Internal Revenue Code" does not
7 include section 847 of the federal Internal Revenue Code. The Internal Revenue
8 Code applies for Wisconsin purposes at the same time as for federal purposes.
9 Amendments to the federal Internal Revenue Code enacted after
10 December 31, 1994, do not apply to this paragraph with respect to taxable years
11 beginning after December 31, 1994, and before January 1, 1996, except that
12 changes to the Internal Revenue Code made by P.L. 104-7, P.L. 104-188, excluding
13 sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
14 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162
15 and 165 of P.L. 106-554, and changes that indirectly affect the provisions applicable
16 to this subchapter made by P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204,
17 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
18 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L.
19 106-554, apply for Wisconsin purposes at the same time as for federal purposes.

20 *~~4575/3.66~~* **SECTION 223.** 71.42 (2) (j) of the statutes is amended to read:

21 71.42 (2) (j) For taxable years that begin after December 31, 1995, and before
22 January 1, 1997, "Internal Revenue Code" means the federal Internal Revenue Code
23 as amended to December 31, 1995, excluding sections 103, 104, and 110 of P.L.
24 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
25 103-66, and as amended by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311,

1 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.
2 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L.
3 106–554, and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.
4 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
5 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
6 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
7 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
8 excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191,
9 P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L.
10 106–554, excluding sections 162 and 165 of P.L. 106–554, except that “Internal
11 Revenue Code” does not include section 847 of the federal Internal Revenue Code.
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, 1995, do not apply to this paragraph with respect to taxable years
15 beginning after December 31, 1995, and before January 1, 1997, except that
16 changes to the Internal Revenue Code made by P.L. 104–188, excluding sections
17 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
18 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
19 sections 162 and 165 of P.L. 106–554, and changes that indirectly affect the
20 provisions applicable to this subchapter made by P.L. 104–188, excluding sections
21 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
22 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding
23 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time
24 as for federal purposes.

25 *–4575/3.67* **SECTION 224.** 71.42 (2) (k) of the statutes is amended to read:

1 71.42 (2) (k) For taxable years that begin after December 31, 1996, and before
2 January 1, 1998, “Internal Revenue Code” means the federal Internal Revenue Code
3 as amended to December 31, 1996, excluding sections 103, 104, and 110 of P.L.
4 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66
5 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as
6 amended by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36,
7 P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16,
8 excluding section 431 of P.L. 107–16, and as indirectly affected by P.L. 99–514, P.L.
9 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
10 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
11 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
12 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
13 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
14 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.
15 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162 and
16 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, except
17 that “Internal Revenue Code” does not include section 847 of the federal Internal
18 Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the
19 same time as for federal purposes. Amendments to the federal Internal Revenue
20 Code enacted after December 31, 1996, do not apply to this paragraph with respect
21 to taxable years beginning after December 31, 1996, and before January 1, 1998,
22 except that changes to the Internal Revenue Code made by P.L. 105–33, P.L. 105–34,
23 P.L. 105–206, P.L. 105–277 and, P.L. 106–36, P.L. 106–554, excluding sections 162
24 and 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16, and
25 changes that indirectly affect the provisions applicable to this subchapter 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, apply for Wisconsin purposes at the same time as for federal
4 purposes.

5 *~~4575/3.68~~* **SECTION 225.** 71.42 (2) (L) of the statutes is amended to read:

6 71.42 (2) (L) For taxable years that begin after December 31, 1997, and before
7 January 1, 1999, “Internal Revenue Code” means the federal Internal Revenue Code
8 as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.
9 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66
10 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as
11 amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170,
12 P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16,
13 excluding section 431 of P.L. 107–16, and as indirectly affected 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.
20 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554,
21 excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section
22 431 of P.L. 107–16, except that “Internal Revenue Code” does not include section 847
23 of the federal Internal Revenue Code. The Internal Revenue Code applies for
24 Wisconsin purposes at the same time as for federal purposes. Amendments to the
25 federal Internal Revenue Code enacted after December 31, 1997, do not apply to this

1 paragraph with respect to taxable years beginning after December 31, 1997, and
2 before January 1, 1999, except that changes to the Internal Revenue Code made by
3 P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170, P.L.
4 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
5 section 431 of P.L. 107-16, and changes that indirectly affect the provisions
6 applicable to this subchapter made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
7 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.
8 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin
9 purposes at the same time as for federal purposes.

10 *~~4575/3.69~~* **SECTION 226.** 71.42 (2) (m) of the statutes is amended to read:

11 71.42 (2) (m) For taxable years that begin after December 31, 1998, and before
12 January 1, 2000, "Internal Revenue Code" means the federal Internal Revenue Code
13 as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L.
14 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
15 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
16 amended by P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and
17 165 of P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, and as
18 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
19 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
20 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
21 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
22 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
23 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
24 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
25 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.

1 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, except that “Internal
2 Revenue Code” does not include section 847 of the federal Internal Revenue Code.
3 The Internal Revenue Code applies for Wisconsin purposes at the same time as for
4 federal purposes. Amendments to the federal Internal Revenue Code enacted after
5 December 31, 1998, do not apply to this paragraph with respect to taxable years
6 beginning after December 31, 1998, and before January 1, 2000, except that
7 changes to the Internal Revenue Code made by P.L. 106-36 and, P.L. 106-170, P.L.
8 106-554, 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 changes that indirectly affect the provisions
10 applicable to this subchapter made by P.L. 106-36 and, P.L. 106-170, P.L. 106-554,
11 excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding section
12 431 of P.L. 107-16, apply for Wisconsin purposes at the same time as for federal
13 purposes.

14 *~~4575/3.70~~* **SECTION 227.** 71.42 (2) (n) of the statutes is amended to read:

15 71.42 (2) (n) For taxable years that begin after December 31, 1999, “Internal
16 Revenue Code” means the federal Internal Revenue Code as amended to
17 December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102-227, sections
18 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123
19 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L.
20 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 107-16, excluding
21 section 431 of P.L. 107-16, and as indirectly affected by P.L. 99-514, P.L. 100-203,
22 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508,
23 P.L. 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 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
2 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L.
3 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding
4 sections 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L.
5 107–16, except that “Internal Revenue Code” does not include section 847 of the
6 federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin
7 purposes at the same time as for federal purposes. Amendments to the federal
8 Internal Revenue Code enacted after December 31, 1999, do not apply to this
9 paragraph with respect to taxable years beginning after December 31, 1999, except
10 that changes to the Internal Revenue Code made by P.L. 106–554, excluding sections
11 162 and 165 of P.L. 106–554, and P.L. 107–16, excluding section 431 of P.L. 107–16,
12 and changes that indirectly affect the provisions applicable to this subchapter made
13 by P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 107–16,
14 excluding section 431 of P.L. 107–16, apply for Wisconsin purposes at the same time
15 as for federal purposes.

16 *b2335/2.4* SECTION 230b. 71.45 (2) (a) 13. of the statutes is amended to read:
17 71.45 (2) (a) 13. By adding or subtracting, as appropriate, the ~~difference~~
18 ~~between the depreciation deduction under the federal Internal Revenue Code as~~
19 ~~amended to December 31, 1999 and the depreciation deduction under the federal~~
20 ~~Internal Revenue Code in effect for the taxable year for which the return is filed, so~~
21 ~~as to reflect the fact that the insurer may choose between these 2 deductions~~ 2000,
22 except that property first placed in service by the taxpayer on or after
23 January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br),
24 1985 stats., is required to be depreciated under the Internal Revenue Code as
25 amended to December 31, 1980, and property first placed in service in taxable year

1 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985
2 stats., is required to be depreciated under the Internal Revenue Code as amended
3 to December 31, 1980, shall continue to be depreciated under the Internal Revenue
4 Code as amended to December 31, 1980.

5 *~~4548/2.66~~* *~~3266/P1.41~~* **SECTION 232.** 71.83 (2) (b) of the statutes is
6 amended to read:

7 71.83 (2) (b) *Felony.* 1. 'False income tax return; fraud.' Any person, other than
8 a corporation or limited liability company, who renders a false or fraudulent income
9 tax return with intent to defeat or evade any assessment required by this chapter
10 ~~shall be is~~ guilty of a Class H felony and may be ~~fin~~ed ~~not more than \$10,000 or~~
11 ~~imprisoned for not more than 7 years and 6 months or both, together with assessed~~
12 the cost of prosecution. In this subdivision, "return" includes a separate return filed
13 by a spouse with respect to a taxable year for which a joint return is filed under s.
14 71.03 (2) (g) to (L) after the filing of that separate return, and a joint return filed by
15 the spouses with respect to a taxable year for which a separate return is filed under
16 s. 71.03 (2) (m) after the filing of that joint return.

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

24 3. 'Evasion.' Any person who removes, deposits or conceals or aids in removing,
25 depositing or concealing any property upon which a levy is authorized with intent

1 to evade or defeat the assessment or collection of any tax administered by the
2 department is guilty of a Class I felony and may be fined not more than \$5,000 or
3 imprisoned for not more than 4 years and 6 months or both, together with assessed
4 the costs cost of prosecution.

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

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

15 71.93 (1) (a) 3. An amount that the department of health and family services
16 may recover under s. ~~49.45 (2) (a) 10.~~ or 49.497, if the department of health and
17 family services has certified the amount under s. 49.85.

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

19 73.03 (28d) To enter into a contract to participate in the multistate tax
20 commission audit program. The department shall allocate a portion of the amount
21 collected under chs. 71 and 77 through the contract to the appropriation under s.
22 20.566 (1) (hn) to pay the fees necessary to participate in the multistate tax
23 commission audit program. The department shall allocate the remainder of such
24 collections to the general fund.

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

1 73.03 (52) To enter into agreements with the ~~internal revenue service~~ Internal
2 Revenue Service that provide for offsetting state tax refunds against federal tax
3 obligations; and to charge a fee up to \$25 per transaction for such offsets; and
4 offsetting federal tax refunds against state tax obligations, if the agreements provide
5 that setoffs under ss. 71.93 and 71.935 occur before the setoffs under those
6 agreements.

7 ***b3069/3.2* SECTION 233ab.** 74.48 of the statutes is repealed.

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

9 **74.485 Penalty for converting agricultural land. (1) DEFINITION.** In this
10 section, “agricultural land” has the meaning given in s. 70.32 (2) (c) 1.

11 **(2) PENALTY.** Except as provided in sub. (4), a person who owns land that has
12 been assessed as agricultural land under s. 70.32 (2r) and who converts the land’s
13 use so that the land is not eligible to be assessed as agricultural land under s. 70.32
14 (2r), as determined by the assessor of the taxation district in which the land is
15 located, shall pay a penalty to the county in which the land is located in an amount,
16 calculated by the county treasurer, that is equal to the number of acres converted
17 multiplied by the amount of the difference between the average fair market value of
18 an acre of agricultural land sold in the county in the year before the year that the
19 person converts the land, as determined under sub. (3), and the average equalized
20 value of an acre of agricultural land in the county in the year before the year that the
21 person converts the land, as determined under sub. (3), multiplied by the following:

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

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

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

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

7 (4) EXCEPTIONS AND DEFERRAL. (a) A person who owns land that has been
8 assessed as agricultural land under s. 70.32 (2r) and who converts the land's use so
9 that the land is not eligible to be assessed as agricultural land under s. 70.32 (2r) is
10 not subject to a penalty under sub. (2) if the converted land may be assessed as
11 swamp or waste under s. 70.32 (2) (a) 5., as productive forest land under s. 70.32 (2)
12 (a) 6., or as other under s. 70.32 (2) (a) 7. or if the amount of the penalty determined
13 under sub. (2) represents less than \$25 for each acre of converted land.

14 (b) If a person owes a penalty under sub. (2), the treasurer of the county in
15 which the person's land is located may defer payment of the penalty to the succeeding
16 taxable year if the person demonstrates to the assessor of the taxation district in
17 which the land is located that the person's land will be used as agricultural land in
18 the succeeding taxable year. A person who receives a deferral under this paragraph
19 is not subject to the penalty under sub. (2) related to the deferral, if the person's land
20 is used as agricultural land in the succeeding taxable year. If the land of a person
21 who receives a deferral under this paragraph is not used as agricultural land in the
22 succeeding taxable year, the person shall pay the penalty with interest at the rate
23 of 1% a month, or fraction of a month, from the date that the treasurer granted a
24 deferral to the date that the penalty is paid.

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

8 (6) DISTRIBUTION. A county that collects a penalty under this section shall
9 distribute 50% of the amount of the penalty to the taxation district in which the land
10 related to the penalty is located. If the land related to the penalty is located in 2 or
11 more taxation districts, the county shall distribute 50% of the amount of the penalty
12 to the taxation districts in proportion to the equalized value of the land related to the
13 penalty that is located in each taxation district. A taxation district shall distribute
14 50% of any amount it receives under this subsection to an adjoining taxation district,
15 if the taxation district in which the land related to the penalty is located annexed the
16 land related to the penalty from the adjoining taxation district in either of the 2 years
17 preceding a distribution under this subsection.

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

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

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

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

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

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

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

8 77.52 (2) (a) 5. a. The sale of telecommunications services, except services
9 subject to 4 USC 116 to 126, as amended by P.L. 106-252, that either originate or
10 terminate in this state; except services that are obtained by means of a toll-free
11 number, that originate outside this state and that terminate in this state; and are
12 charged to a service address in this state, regardless of the location where that charge
13 is billed or paid; and the sale of the rights to purchase telecommunications services,
14 including purchasing reauthorization numbers, by paying in advance and by using
15 an access number and authorization code, except sales that are subject to subd. 5. b.

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

17 77.52 (2) (a) 5. b. The sale of services subject to 4 USC 116 to 126, as amended
18 by P.L. 106-252, if the customer's place of primary use of the services is in this state,
19 as determined under 4 USC 116 to 126, as amended by P.L. 106-252. For purposes
20 of this subd. 5. b., all of the provisions of 4 USC 116 to 126, as amended by P.L.
21 106-252, are adopted, except that if 4 USC 116 to 126, as amended by P.L. 106-252,
22 or the application of 4 USC 116 to 126, as amended by P.L. 106-252, is found
23 unconstitutional the sale of telecommunications services is subject to the tax
24 imposed under this section as provided in subd. 5. a.

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

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

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

6 77.52 (3n) In regard to the sale of the rights to purchase telecommunications
7 services under sub. (2) (a) 5. b., the situs of the sale is as determined under 4 USC
8 116 to 126, as amended by P.L. 106–252.

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

10 77.52 (13) For the purpose of the proper administration of this section and to
11 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
12 the tax until the contrary is established. The burden of proving that a sale of tangible
13 personal property or services is not a taxable sale at retail is upon the person who
14 makes the sale unless that person takes from the purchaser a certificate to the effect
15 that the property or service is purchased for resale or is otherwise exempt; except
16 that no certificate is required for sales of cattle, sheep, goats, and pigs that are sold
17 at a livestock market, as defined in s. 95.68 (1) (e), and no certificate is required for
18 sales of commodities, as defined in 7 USC 2, that are consigned for sale in a
19 warehouse in or from which the commodity is deliverable on a contract for future
20 delivery subject to the rules of a commodity market regulated by the U.S. commodity
21 futures trading commission if upon the sale the commodity is not removed from the
22 warehouse.

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

24 **77.523 Customer remedy.** If a customer purchases a service that is subject
25 to 4 USC 116 to 126, as amended by P.L. 106–252, and if the customer believes that

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

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

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

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

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

6 77.53 (10) For the purpose of the proper administration of this section and to
7 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that
8 tangible personal property or taxable services sold by any person for delivery in this
9 state is sold for storage, use, or other consumption in this state until the contrary is
10 established. The burden of proving the contrary is upon the person who makes the
11 sale unless that person takes from the purchaser a certificate to the effect that the
12 property or taxable service is purchased for resale, or otherwise exempt from the tax;
13 except that no certificate is required for sales of cattle, sheep, goats, and pigs that are
14 sold at a livestock market, as defined in s. 95.68 (1) (e), and no certificate is required
15 for sales of commodities, as defined in 7 USC 2, that are consigned for sale in a
16 warehouse in or from which the commodity is deliverable on a contract for future
17 delivery subject to the rules of a commodity market regulated by the U.S. commodity
18 futures trading commission if upon the sale the commodity is not removed from the
19 warehouse.

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

21 77.54 (46m) The gross receipts from the sale of and the storage, use, or other
22 consumption of telecommunications services, if the telecommunications services are
23 obtained by using the rights to purchase telecommunications services, including
24 purchasing reauthorization numbers, by paying in advance and by using an access

1 number and authorization code; and if the tax imposed under s. 77.52 or 77.53 was
2 previously paid on the sale or purchase of such rights.

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

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

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

12 77.82 (2) PETITION. (intro.) Any owner of land may petition the department to
13 designate any eligible parcel of land as managed forest land. A petition may include
14 any number of eligible parcels under the same ownership in a single municipality.
15 ~~Each petition shall be submitted on a form provided by the department and shall be~~
16 ~~accompanied by a nonrefundable \$10 application fee unless a different amount of the~~
17 ~~fee is established by the department by rule at an amount equal to the average~~
18 ~~expense to the department of recording an order issued under this subchapter. The~~
19 ~~fee shall be deposited in the conservation fund and credited to the appropriation~~
20 ~~under s. 20.370 (1) (er).~~ Each petition shall include all of the following:

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

22 77.82 (2m) FEES FOR PETITIONS. (a) Except as provided in par. (b), a petition
23 under sub. (2) or (4m) shall be accompanied by a nonrefundable application fee of
24 \$100.

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

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

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

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

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

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

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

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

20 77.82 (3) (a) The petitioner may submit a proposed management plan for the
21 entire acreage of each parcel with the petition. The department, after considering
22 the owner's forest management objectives as stated under sub. (2) (e), shall review
23 and either approve or disapprove the proposed plan. If the department disapproves
24 a plan, it shall inform the petitioner of the changes necessary to qualify the plan for
25 approval upon subsequent review.

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

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

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

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

13 ***-4550/8.8* SECTION 234.** 79.01 (1) of the statutes, as affected by 2001
14 Wisconsin Act 16, is amended to read:

15 79.01 (1) There is established an account in the general fund entitled the
16 "Expenditure Restraint Program Account." There shall be appropriated to that
17 account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994; \$48,000,000
18 in each year beginning in 1995 and ending in 1999; \$57,000,000 in the year 2000 and
19 in the year 2001; and \$57,570,000 in 2002; and \$58,145,700 in 2003 ~~and in each year~~
20 thereafter.

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

22 79.01 (2d) There is established an account in the general fund entitled the
23 "County and Municipal Aid Account." There shall be appropriated to that account
24 \$999,709,900 in 2004 and in each year thereafter.

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

1 **79.015 Statement of estimated payments.** The department of revenue, on
2 or before September 15 of each year, shall provide to each municipality and county
3 a statement of estimated payments to be made in the next calendar year to the
4 municipality or county under ss. 79.03, 79.035, 79.036, 79.04, 79.05, 79.058, and
5 79.06.

6 *~~4550/8.10~~* **SECTION 236.** 79.02 (2) (b) of the statutes is amended to read:

7 79.02 (2) (b) Subject to s. 59.605 (4), payments in July shall equal 15% of the
8 municipality's or county's estimated payments under ss. 79.03, 79.035, 79.036, 79.04,
9 79.058, and 79.06 and 100% of the municipality's estimated payments under s. 79.05.

10 *~~4550/8.12~~* **SECTION 238.** 79.02 (3) of the statutes is amended to read:

11 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in
12 November shall equal that municipality's or county's entitlement to shared revenues
13 under ss. 79.03, 79.035, 79.036, 79.04, 79.05, 79.058, and 79.06 for the current year,
14 minus the amount distributed to the municipality or county in July. In November
15 2002, the amount of the payments to each municipality and county under ss. 79.03,
16 79.04, 79.05, 79.058, and 79.06 to be paid from the appropriation account under s.
17 20.855 (4) (rb) shall be the amount of such payments to the municipality or county
18 multiplied by the quotient of an amount equal to the moneys available, as
19 determined by the department of administration, from the appropriation account
20 under s. 20.855 (4) (rb) divided by \$826,068,930.

21 *~~4462/4.10~~* **SECTION 239.** 79.03 (1) of the statutes is amended to read:

22 79.03 (1) ~~Each~~ Ending with the distributions in 2003, each municipality and
23 county is entitled to shared revenue, consisting of an amount determined on the basis
24 of population under sub. (2), plus an amount determined under sub. (3).

1 *~~4462/4.11~~* **SECTION 240.** 79.03 (3c) (b) (intro.) of the statutes is amended to
2 read:

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

6 *~~4550/8.13~~* **SECTION 241.** 79.03 (3c) (f) of the statutes, as affected by 2001
7 Wisconsin Act 16, is amended to read:

8 79.03 (3c) (f) *Distribution amount.* If the total amounts calculated under pars.
9 (c) to (e) exceed the total amount to be distributed under this subsection, the amount
10 paid to each eligible municipality shall be paid on a prorated basis. The total amount
11 to be distributed under this subsection from s. 20.835 (1) (b) is \$10,000,000 beginning
12 in 1996 and ending in 1999; and \$11,000,000 in the year 2000 and in the year 2001.
13 The total amount to be distributed under this subsection from ss. 20.835 (1) (b) and
14 20.855 (4) (rb) in 2002 is \$11,110,000 in 2002; and \$11,221,100 in 2003 and in each
15 year thereafter and the total amount to be distributed under this subsection from s.
16 20.835 (1) (b) in 2003 is \$11,221,100.

17 *~~4550/8.14~~* **SECTION 242.** 79.03 (4) of the statutes, as affected by 2001
18 Wisconsin Act 16, is amended to read:

19 79.03 (4) In 1991, the total amount to be distributed under ss. 79.03, 79.04, and
20 79.06 from s. 20.835 (1) (d) is \$869,000,000. In 1992, the total amount to be
21 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$885,961,300.
22 In 1993, the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s.
23 20.835 (1) (d) is \$903,680,500. In 1994, the total amounts to be distributed under this
24 section and ss. 79.04 and 79.06 from s. 20.835 (1) (d) are \$746,547,500 to
25 municipalities and \$168,981,800 to counties. Beginning in 1995 and ending in 2001,

1 the total amounts to be distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835
2 (1) (d) are \$761,478,000 to municipalities and \$168,981,800 to counties. In 2002, the
3 total amounts to be distributed under ss. 79.03, 79.04, and 79.06 from ~~s. ss.~~ 20.835
4 (1) (d) and 20.855 (4) (rb) are \$769,092,800 to municipalities and \$170,671,600 to
5 counties. In 2003 and ~~subsequent years~~, the total amounts to be distributed under
6 ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) are \$776,783,700 to municipalities
7 and \$172,378,300 to counties.

8 *~~4462/4.12~~* **SECTION 244.** 79.03 (6) of the statutes is created to read:

9 79.03 (6) Beginning in 2004, no municipality or county may receive payments
10 under subs. (2) and (3) and no municipality may receive a payment under sub. (3c).

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

12 **79.035 County and municipal aid.** (1) Subject to reductions under s. 79.036
13 (3), in 2004 and subsequent years, each county and municipality shall receive a
14 payment from the county and municipal aid account in an amount determined under
15 sub. (2).

16 (2) (a) 1. For the distribution in 2004, each county and municipality will receive
17 a payment that is equal to the amount of the payments the county or municipality
18 received in 2003 under ss. 79.03, 79.04, 79.05, 79.058, and 79.06, less the amount of
19 the reduction under subd. 2.

20 2. The department of revenue shall reduce the amount of the payments to be
21 distributed to each county and municipality, as determined under subd. 1., by
22 subtracting from such payments an amount based on the county's or municipality's
23 population, as determined by the department, so that the total amount of the
24 reduction to all such payments in 2004 is \$40,000,000, except that the reduction

1 applied to any county's or municipality's payment shall not exceed the amount of the
2 payments specified under subd. 1. distributed to the county or municipality in 2003.

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

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

8 **79.036 Consolidation incentive payment.** (1) (a) In 2004 and subsequent
9 years, counties and municipalities that agree to consolidate county or municipal
10 services may receive payments under sub. (2), if such counties and municipalities
11 submit a copy of the consolidation agreement to the department of revenue no later
12 than September 1 of the year preceding the effective date of the consolidation and the
13 department approves the payment.

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

17 (c) No later than September 15 of each year, the department of revenue shall
18 review any agreement submitted under par. (a) and determine whether each county
19 or municipality that is subject to the agreement will receive a payment under sub.
20 (2).

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

24 (2) (a) Subject to review and approval under sub. (1) (c) and the limitations
25 provided under this subsection, each county and municipality that is eligible for a

1 payment under this section shall receive one payment in the first year of the
2 consolidation specified in the agreement submitted under sub. (1) (a) that is equal
3 to 75% the estimated savings to each such county or municipality that result from
4 the consolidation. No county or municipality may receive more than one payment
5 under this section related to the same consolidation agreement.

6 (b) The total amount of all payments under par. (a) distributed in each year may
7 not exceed \$45,000,000. If in any year the department of revenue calculates that the
8 total amount of all payments under par. (a) exceeds \$45,000,000, each county and
9 municipality that is eligible to receive a payment under par. (a) shall receive a
10 payment that is reduced in proportion to the county's or municipality's share of the
11 total payments under par. (a) so that the total amount of all such payments is no more
12 than \$45,000,000.

13 (3) Beginning with distributions in 2004, the payments under s. 79.035 to be
14 distributed to each county and municipality shall be reduced in proportion to the
15 county's or municipality's share of all payments under s. 79.035 in each year so that
16 the total amount of all payments under s. 79.035 is reduced by the total amount to
17 be distributed under sub. (2) in that year.

18 ***-4462/4.13* SECTION 245.** 79.04 (1) (intro.) of the statutes, as affected by 2001
19 Wisconsin Act 16, is amended to read:

20 79.04 (1) (intro.) Annually, ending with the distributions in 2003, the
21 department of administration, upon certification by the department of revenue, shall
22 distribute to a municipality having within its boundaries a production plant or a
23 general structure, including production plants and general structures under
24 construction, used by a light, heat, or power company assessed under s. 76.28 (2) or
25 76.29 (2), except property described in s. 66.0813 unless the production plant is

1 owned or operated by a local governmental unit located outside of the municipality,
2 or by an electric cooperative assessed under ss. 76.07 and 76.48, respectively, or by
3 a municipal electric company under s. 66.0825 the amount determined as follows:

4 *~~4462/4.14~~* **SECTION 246.** 79.04 (2) (a) of the statutes, as affected by 2001
5 Wisconsin Act 16, is amended to read:

6 79.04 (2) (a) Annually, ending with the distributions in 2003, the department
7 of administration, upon certification by the department of revenue, shall distribute
8 from the shared revenue account to any county having within its boundaries a
9 production plant or a general structure, including production plants and general
10 structures under construction, used by a light, heat, or power company assessed
11 under s. 76.28 (2) or 76.29 (2), except property described in s. 66.0813 unless the
12 production plant is owned or operated by a local governmental unit that is located
13 outside of the municipality in which the production plant is located, or by an electric
14 cooperative assessed under ss. 76.07 and 76.48, respectively, or by a municipal
15 electric company under s. 66.0825 an amount determined by multiplying by 6 mills
16 in the case of property in a town and by 3 mills in the case of property in a city or
17 village the first \$125,000,000 of the amount shown in the account, plus leased
18 property, of each public utility except qualified wholesale electric companies, as
19 defined in s. 76.28 (1) (gm), on December 31 of the preceding year for either
20 “production plant, exclusive of land” and “general structures”, or “work in progress”
21 for production plants and general structures under construction, in the case of light,
22 heat, and power companies, electric cooperatives, or municipal electric companies,
23 for all property within the municipality in accordance with the system of accounts
24 established by the public service commission or rural electrification administration,
25 less depreciation thereon as determined by the department of revenue and less the

1 value of treatment plant and pollution abatement equipment, as defined under s.
2 70.11 (21) (a), as determined by the department of revenue plus an amount from the
3 shared revenue account determined by multiplying by 6 mills in the case of property
4 in a town, and 3 mills in the case of property in a city or village, of the total original
5 cost of production plant, general structures, and work-in-progress less depreciation,
6 land, and approved waste treatment facilities of each qualified wholesale electric
7 company, as defined in s. 76.28 (1) (gm), as reported to the department of revenue of
8 all property within the municipality. The total of amounts, as depreciated, from the
9 accounts of all public utilities for the same production plant is also limited to not
10 more than \$125,000,000. The amount distributable to a county in any year shall not
11 exceed \$100 times the population of the county.

12 *~~4462/4.15~~* SECTION 247. 79.04 (4) (a) of the statutes is amended to read:

13 79.04 (4) (a) Annually, ending with the distributions in 2003, in addition to the
14 amount distributed under sub. (1), the department of administration shall distribute
15 \$50,000 to a municipality if spent nuclear fuel is stored within the municipality on
16 December 31 of the preceding year. If a spent nuclear fuel storage facility is located
17 within one mile of a municipality, that municipality shall receive \$10,000 annually
18 and the municipality where that storage facility is located shall receive \$40,000
19 annually.

20 *~~4462/4.16~~* SECTION 248. 79.04 (4) (b) of the statutes is amended to read:

21 79.04 (4) (b) Annually, ending with the distributions in 2003, in addition to the
22 amount distributed under sub. (2), the department of administration shall distribute
23 \$50,000 to a county if spent nuclear fuel is stored within the county on December 31
24 of the preceding year. If a spent nuclear fuel storage facility is located at a production
25 plant located in more than one county, the payment shall be apportioned according

1 to the formula under sub. (1) (c) 2., except that the formula, as it applies to
2 municipalities in that subdivision, applies to counties in this paragraph. The
3 payment under this paragraph may not be less than \$10,000 annually.

4 ***-4462/4.17* SECTION 249.** 79.04 (5) of the statutes is created to read:

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

7 ***-4462/4.18* SECTION 250.** 79.05 (2) (intro.) of the statutes is amended to read:

8 79.05 (2) (intro.) ~~A~~ Ending with the distributions in 2003, a municipality is
9 eligible for a payment under sub. (3) if it fulfills all of the following requirements:

10 ***-4462/4.19* SECTION 251.** 79.05 (7) of the statutes is created to read:

11 79.05 (7) Beginning in 2004, no municipality may receive a payment under this
12 section.

13 ***-4462/4.20* SECTION 252.** 79.058 (1) of the statutes is amended to read:

14 79.058 (1) ~~Each~~ Ending with the distributions in 2003, each county is entitled
15 to a mandate relief payment equal to the per person distribution under sub. (2) times
16 the county's population for the year in which the statement under s. 79.015 is
17 provided as determined under s. 16.96 (2).

18 ***-4550/8.16* SECTION 253.** 79.058 (3) (d) of the statutes, as created by 2001
19 Wisconsin Act 16, is amended to read:

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

22 ***b3084/5.26* SECTION 254bm.** 79.058 (3) (e) of the statutes, as created by 2001
23 Wisconsin Act 16, is amended to read:

24 79.058 (3) (e) In 2003 ~~and subsequent years~~, \$21,181,100.

25 ***-4462/4.21* SECTION 255.** 79.058 (4) of the statutes is created to read:

1 79.058 (4) Beginning in 2004, no county may receive a payment under this
2 section.

3 ***b3084/5.28* SECTION 256b.** 79.06 (1) (b) of the statutes is amended to read:

4 79.06 (1) (b) If Ending with the distributions in 2003, if the payments to any
5 municipality or county under s. 79.03, excluding payments under s. 79.03 (3c), in
6 1986 or any year thereafter are less than 95% of the combined payments to the
7 municipality or county under this section and s. 79.03, excluding payments under s.
8 79.03 (3c), for the previous year, the municipality or county has an aids deficiency.
9 The amount of the aids deficiency is the amount by which 95% of the combined
10 payments to the municipality or county under this section and s. 79.03, excluding
11 payments under s. 79.03 (3c), in the previous year exceeds the payments to the
12 municipality or county under s. 79.03, excluding payments under s. 79.03 (3c), in the
13 current year.

14 ***b3084/5.28* SECTION 256d.** 79.06 (1) (c) of the statutes is amended to read:

15 79.06 (1) (c) ~~A~~ Ending with the distributions in 2003, a municipality or county
16 that has an aids deficiency shall receive a payment from the amounts withheld under
17 sub. (2) equal to its proportion of all the aids deficiencies of municipalities or counties
18 respectively for that year.

19 ***b3084/5.28* SECTION 256e.** 79.06 (2) (b) of the statutes, as affected by 2001
20 Wisconsin Act 16, is amended to read:

21 79.06 (2) (b) If Ending with the distributions in 2003, if the payments to a
22 municipality or county, except any county in which there are no cities or villages, or
23 any county created in the year 1846 or 1847, with a population in the year 1990
24 greater than 16,000 but less than 17,000, as determined by the 1990 federal
25 decennial census, in any year exceed its combined payments under this section and

1 s. 79.03, excluding payments under s. 79.03 (3c), in the previous year by more than
2 the maximum allowable increase, the excess shall be withheld to fund minimum
3 payments in that year under sub. (1) (c).

4 ***-4462/4.22* SECTION 257.** 79.06 (3) of the statutes is created to read:

5 79.06 (3) SUNSET. Beginning in 2004, no municipality or county may receive
6 a payment under this section.

7 ***b3067/1.1* SECTION 258pr.** 84.013 (1) (a) (intro.) of the statutes is amended
8 to read:

9 84.013 (1) (a) (intro.) "Major highway project" means a project, except a project
10 providing an approach to a bridge over a river that forms a boundary of the state or
11 a southeast Wisconsin freeway rehabilitation project under s. 84.014, which has a
12 total cost of more than \$5,000,000 and which involves any of the following:

13 ***b3066/1.5* SECTION 258ps.** 84.013 (2) of the statutes, as affected by 2001
14 Wisconsin Act 16, is amended to read:

15 84.013 (2) (a) Subject to ~~s. ss. 84.555 and~~ 86.255, major highway projects shall
16 be funded from the appropriations under ss. 20.395 (3) (bq) to (bx) and (4) (jq) and
17 20.866 (2) (ur) to ~~(uu)~~ (uum).

18 (b) Except as provided in ss. 84.014 ~~and, 84.03 (3), and 84.555~~, and subject to
19 s. 86.255, reconditioning, reconstruction and resurfacing of highways shall be
20 funded from the appropriations under s. 20.395 (3) (cq) to (cx).

21 ***b3066/1.5* SECTION 258pt.** 84.014 (2) of the statutes, as created by 2001
22 Wisconsin Act 16, is amended to read:

23 84.014 (2) ~~Notwithstanding s. 84.013 and subject~~ Subject to ~~s. ss. 84.555 and~~
24 86.255, any southeast Wisconsin freeway rehabilitation projects, including the
25 Marquette interchange reconstruction project and projects that involve adding one

1 or more lanes 5 miles or more in length to the existing freeway, may be funded only
2 from the appropriations under ~~s.~~ ss. 20.395 (3) (cr), (cw), and (cy) and 20.866 (2)
3 (uum).

4 ***b3104/1.1* SECTION 258ptg.** 84.014 (5) of the statutes is created to read:

5 84.014 (5) The department shall design the reconstruction of I 94 in Milwaukee
6 and Waukesha counties, other than the Marquette interchange, to allow for
7 expansion of capacity for vehicular traffic on I 94 in these counties to meet the
8 projected vehicular traffic capacity needs, as determined by the department, for 25
9 years following the completion of such reconstruction.

10 ***b3067/1.1* SECTION 258pu.** 84.014 (5m) of the statutes is created to read:

11 84.014 (5m) (a) Notwithstanding any other provision of this section, the
12 department may not expend any moneys from the appropriations under s. 20.395 (3)
13 (cr), (cw), and (cy) for a southeast Wisconsin freeway rehabilitation project that
14 involves adding one or more lanes 5 miles or more in length to the existing freeway
15 unless the project is specifically enumerated in a list under par. (b).

16 (b) The department may proceed with the following southeast Wisconsin
17 freeway rehabilitation projects:

18 1. No projects are enumerated under this paragraph as of the effective date of
19 this subdivision [revisor inserts date].

20 ***b2976/2.1* SECTION 258pur.** 84.02 (15) of the statutes is created to read:

21 84.02 (15) **TRAFFIC CONTROL SIGNAL EMERGENCY PREEMPTION DEVICES.** (a) In this
22 subsection:

23 1. "Additional cost" means the difference in cost between installation of a traffic
24 control signal that is equipped with an emergency preemption device and

1 confirmation signal and installation of a traffic control signal that is not so equipped,
2 and includes the difference in incidental costs such as electrical wiring.

3 2. “Authorized emergency vehicle” has the meaning given in s. 340.01 (3) (a),
4 (c), (g), or (i).

5 3. “Confirmation signal” means a white signal, located on or near a traffic
6 control signal equipped with an emergency preemption device, that is designed to be
7 visible to the operator of an approaching authorized emergency vehicle and that
8 confirms to the operator that the emergency preemption device has received a
9 transmission from the operator.

10 4. “Emergency preemption device” means an electrical device, located on or
11 within a traffic control signal, that is designed to receive an electronic, radio, or sonic
12 transmission from an approaching authorized emergency vehicle that alters the
13 normal sequence of the traffic control signal to provide or maintain a green signal for
14 the authorized emergency vehicle to proceed through the intersection.

15 5. “Political subdivision” means a county, city, village, or town.

16 6. “Traffic control signal” means any electrical device by which traffic is
17 alternately directed to stop and permitted to proceed by means of exhibiting different
18 colored lights successively.

19 (b) Before the department installs a new traffic control signal on a state trunk
20 highway within the corporate limits of any political subdivision, the department
21 shall do all of the following:

22 1. Notify the political subdivision of the planned traffic control signal
23 installation.

24 2. Notify the political subdivision of the additional cost of equipping the traffic
25 control signal with an emergency preemption device and confirmation signal.

1 3. Provide the political subdivision with the opportunity to request that the
2 traffic control signal be equipped with an emergency preemption device and
3 confirmation signal.

4 (c) If any political subdivision requests under par. (b) 3. that the department
5 equip the traffic control signal with an emergency preemption device and
6 confirmation signal, and one or more political subdivisions contributes a total of 50%
7 of the additional cost specified under par. (b) 2., the department shall equip the traffic
8 control signal with an emergency preemption device and confirmation signal when
9 the department installs the traffic control signal.

10 (d) Notwithstanding pars. (b) and (c), this subsection does not prohibit the
11 department from installing on any state trunk highway, at the department's
12 expense, any traffic control signal equipped with an emergency preemption device
13 and confirmation signal. The department may install a new traffic control signal
14 equipped with an emergency preemption device and confirmation signal under this
15 paragraph without providing notice and an opportunity to respond under par. (b) to
16 any political subdivision. The department shall install a confirmation signal with
17 every new emergency preemption device installed by the department under this
18 paragraph.

19 (e) Any new traffic control signal installed by the department after the effective
20 date of this paragraph [revisor inserts date], that is not equipped with an
21 emergency preemption device shall include all electrical wiring necessary to equip
22 the traffic control signal with an emergency preemption device and confirmation
23 signal.

24 (f) The department shall promulgate rules to implement and administer this
25 subsection. The rules shall include procedures and deadlines for the department's

1 notification of political subdivisions, and for political subdivisions' requests and
2 contributions to the department, under this subsection.

3 ***b3066/1.5* SECTION 258pur.** 84.03 (2) (c) of the statutes is amended to read:

4 84.03 (2) (c) After receiving a plan under par. (b) 1., the cochairpersons of the
5 joint committee on finance jointly shall determine whether the plan is complete. If
6 the joint committee on finance meets and either approves or modifies and approves
7 a plan submitted under par. (b) 1. within 14 days after the cochairpersons determine
8 that the plan is complete, the secretary shall implement the plan as approved by the
9 committee. If the joint committee on finance does not meet and either approve or
10 modify and approve a plan submitted under par. (b) 1. within 14 days after the
11 cochairpersons determine that the plan is complete, the secretary shall implement
12 the proposed plan. If the joint committee on finance approves a plan under s. 84.555
13 for a state fiscal year, the joint committee on finance may modify a plan implemented
14 under this paragraph for that fiscal year.

15 ***b3042/2.2* SECTION 258puw.** 84.09 (9) of the statutes is created to read:

16 84.09 (9) Subsections (5), (5m), and (6) do not apply to state surplus property
17 that is directed to be sold under 2001 Wisconsin Act (this act), section 9107 (1b).

18 ***b2825/1.1* SECTION 258pux.** 84.185 (3m) of the statutes is created to read:

19 84.185 (3m) REVIEW OF APPLICATIONS. The department shall accept, review, and
20 make determinations on applications for assistance under this section on a
21 continuing, year-round basis. The department shall make a determination on each
22 application for assistance under this section within a reasonable time after its
23 receipt by the department.

24 ***b2428/1.1* SECTION 258pv.** 84.30 (10m) of the statutes is amended to read:

1 84.30 (10m) ANNUAL PERMIT FEE REQUIREMENT. The department may
2 promulgate a rule requiring persons specified in the rule to pay annual permit fees
3 for signs. The rule shall specify that no permit fee may be charged for an
4 off-premises advertising sign that is owned by a nonprofit organization. If the
5 department establishes an annual permit fee under this subsection, failure to pay
6 the fee within 2 months after the date on which payment is due is evidence that the
7 sign has been abandoned for the purposes of s. TRANS 201.10 (2) (f), Wis. Adm. Code.

8 ***b3066/1.5* SECTION 258pw.** 84.555 of the statutes is created to read:

9 **84.555 Additional funding of major highway and rehabilitation**
10 **projects.** (1) Notwithstanding ss. 84.51 and 84.59, major highway projects, as
11 defined under s. 84.013 (1) (a), for the purposes of ss. 84.06 and 84.09, southeast
12 Wisconsin freeway rehabilitation projects under s. 84.014, and state highway
13 rehabilitation projects for the purposes specified in s. 20.395 (3) (cq), may be funded
14 with the proceeds of general obligation bonds issued under s. 20.866 (2) (uum) if all
15 of the following conditions are satisfied:

16 (a) The department's most recent estimate of the amount of federal funds, as
17 defined in s. 84.03 (2) (a) 1., that the department will be appropriated under s. 20.395
18 in the current state fiscal year is less than 95% of the amount of federal funds shown
19 in the schedule, as defined in s. 84.03 (2) (a) 2., for the appropriations under s. 20.395
20 in that fiscal year.

21 (b) The secretary has submitted a plan to the joint committee on finance for the
22 use of proceeds of general obligation bonds issued under s. 20.866 (2) (uum) and the
23 joint committee on finance has approved the plan, except that the secretary may not
24 submit, and the joint committee on finance may not approve, a plan for the use of an
25 amount of proceeds of general obligation bonds that exceeds the difference between

1 the amount of federal funds, as defined in s. 84.03 (2) (a) 1., actually available to the
2 department to be appropriated under s. 20.395 in the current state fiscal year and
3 the amount of federal funds shown in the schedule, as defined in s. 84.03 (2) (a) 2.,
4 for the appropriations under s. 20.395 in that fiscal year.

5 (2) The joint committee on finance may approve, or modify and approve, a plan
6 received under sub. (1) (b) using the procedure specified in s. 84.03 (2) (c). No plan
7 submitted under sub. (1) (b) may be implemented unless the joint committee on
8 finance has approved, or modified and approved, the plan.

9 (3) The secretary may submit a plan under sub. (1) (b) at any time during a
10 state fiscal year after the condition specified in sub. (1) (a) is satisfied for that fiscal
11 year.

12 ***b2976/2.1* SECTION 258x.** 85.07 (7) (c) of the statutes is created to read:

13 85.07 (7) (c) Notwithstanding par. (b), the department shall, in each fiscal year,
14 expend federal funds available under 23 USC 152 for hazard elimination projects
15 that reduce the response time of emergency vehicles regardless of reduction in motor
16 vehicle accidents.

17 ***b2900/2.20* SECTION 258y.** 85.12 (3) of the statutes, as affected by 2001
18 Wisconsin Act 16, is amended to read:

19 85.12 (3) The department may contract with any local governmental unit, as
20 defined in s. ~~22.01~~ 16.97 (7), to provide that local governmental unit with services
21 under this section.

22 ***-4548/2.67* *-3266/P1.42* SECTION 259.** 86.192 (4) of the statutes is
23 amended to read:

1 86.192 (4) Any person who violates this section ~~shall be fined not more than~~
2 ~~\$10,000 or imprisoned for not more than 3 years or both~~ is guilty of a Class H felony
3 if the injury, defacement or removal causes the death of a person.

4 ***b2431/2.1* SECTION 259g.** 86.312 (2) (a) of the statutes is amended to read:

5 86.312 (2) (a) The department shall administer a local roads for job
6 preservation program to award grants to political subdivisions for any project that
7 the department determines is necessary to support business and retain jobs in the
8 vicinity of the local road. The department may award grants under this section for
9 any costs related to a project, including costs of acquiring rights-of-way, planning,
10 designing, engineering, and constructing a local road. The department may specify
11 the pavement to be used in any project funded under this section for the purpose of
12 enhancing the pavement life and cost-effectiveness of the project.

13 ***b3008/1.2* SECTION 259h.** 87.30 (1) (d) of the statutes is amended to read:

14 87.30 (1) (d) For an amendment to a floodplain zoning ordinance that affects
15 an activity that meets all of the requirements under s. 281.165 (2) ~~or (3) (a)~~, the
16 department may not proceed under this subsection, or otherwise review the
17 amendment, to determine whether the ordinance, as amended, is insufficient.

18 ***b3052/1.5* SECTION 259m.** 93.07 (1) of the statutes is amended to read:

19 93.07 (1) REGULATIONS. To make and enforce such regulations, not inconsistent
20 with law, as it may deem necessary for the exercise and discharge of all the powers
21 and duties of the department, and to adopt such measures and make such
22 regulations as are necessary and proper for the ~~enforcement by the state of~~
23 department to carry out its duties and powers under chs. 93 to 100, which regulations
24 ~~shall have the force of law.~~

25 ***b2291/2.2* SECTION 259r.** 93.07 (10) (a) of the statutes is repealed.

1 ***b2291/2.2* SECTION 259s.** 93.07 (10) (b) of the statutes is renumbered 93.07
2 (10) and amended to read:

3 93.07 (10) ANIMAL HEALTH; QUARANTINE. To protect the health of domestic
4 animals ~~of the~~ located in this state; and of humans residing in this state and to
5 determine and employ the most efficient and practical means for the prevention,
6 suppression, control, and eradication of communicable diseases among domestic
7 animals, ~~and for.~~ For these purposes it, the department may establish, maintain,
8 enforce, and regulate such quarantine and such other measures relating to the
9 importation, movement, and care of animals and their products, the disinfection of
10 suspected localities and articles, and the disposition of animals, as the department
11 ~~may deem~~ determines are necessary. The definition of “communicable disease” in s.
12 990.01 (5g) does not apply to this ~~paragraph~~ subsection.

13 ***b3052/1.6* SECTION 259sd.** 93.07 (23) of the statutes is created to read:

14 93.07 (23) CONSUMER PROTECTION ADMINISTRATION. To administer ss. 100.01 to
15 100.03, 100.05 to 100.07, 100.14, 100.183 to 100.19, 100.201, 100.206, 100.208,
16 100.21, 100.22, 100.235, 100.265, 100.27, 100.285 to 100.297, 100.30, 100.33 to
17 100.36, 100.45, 100.47, 100.48, and 100.51 and to enforce ss. 100.206, 100.21, 100.30,
18 and 100.51.

19 ***b3052/1.6* SECTION 259se.** 93.07 (24) of the statutes is amended to read:

20 93.07 (24) ENFORCEMENT OF LAWS. To enforce or assist in the enforcement of chs.
21 88 and 93 to 100 and all other laws entrusted to its administration, and especially:

22 (a) To enforce the laws administered by the department regarding the
23 production, manufacture and sale, offering or exposing for sale or having in
24 possession with intent to sell, of any dairy, food or drug product.

1 (b) To enforce the laws administered by the department regarding the
2 adulteration or misbranding of any articles of food, drink, condiment or drug.

3 (c) To inspect any milk, butter, cheese, lard, syrup, coffee, tea or other article
4 of food, drink, condiment or drug made or offered for sale within this state which it
5 may suspect or have reason to believe, under the laws administered by the
6 department, to be impure, unhealthful, misbranded, adulterated or counterfeit, or
7 in any way unlawful.

8 (d) To prosecute or cause to be prosecuted, under the laws administered by the
9 department, any person engaged in the manufacture or sale, offering or exposing for
10 sale or having in possession with intent to sell, of any adulterated dairy product or
11 of any adulterated, misbranded, counterfeit, or otherwise unlawful article or articles
12 of food, drink, condiment or drug.

13 ***b3052/1.6* SECTION 259sf.** 93.18 (3) of the statutes is amended to read:

14 93.18 (3) The department of justice, after acting pursuant to s. 100.37 or 100.41
15 to 100.43 to order the sale or distribution of any substance, article, furnishing, fabric,
16 product or related material ceased, shall give written notice of its finding to the
17 manufacturer, seller or other person responsible for placing the item in the channels
18 of trade in this state. After such notice no person may sell, remove or otherwise
19 dispose of such item except as directed by the department. Any person affected by
20 such notice may demand a prompt hearing to determine the validity of the
21 department's findings. The hearing, if requested, shall be held as expeditiously as
22 possible but not later than 30 days after notice. A request for hearing does not
23 operate to stay enforcement of the order during the pendency of the hearing. The
24 person petitioning for a hearing shall be entitled to the same rights specified under
25 sub. (2).

1 ***b3052/1.6* SECTION 259sh.** 93.18 (7) of the statutes is created to read:

2 93.18 (7) The department of justice shall follow the procedures under subs. (1),
3 (2), (4), (5), and (6) in enforcing the provisions of ch. 100 that are administered by the
4 department of justice.

5 ***b3052/1.6* SECTION 259sj.** 93.20 (1) of the statutes is amended to read:

6 93.20 (1) DEFINITION. In this section, “action” means an action that is
7 commenced in court by, or on behalf of, the department of agriculture, trade and
8 consumer protection to enforce chs. 88, 91 to 100 or 127 or an action that is
9 commenced in court by the department of justice to enforce ch. 100.

10 ***b3052/1.6* SECTION 259sm.** 93.22 (1) of the statutes is amended to read:

11 93.22 (1) In cases arising under chs. 88 and 93 to ~~100 99~~ and ss. 100.206, 100.21,
12 100.30, and 100.51, the department may be represented by its attorney.

13 ***b3052/1.6* SECTION 259sp.** 93.22 (2) of the statutes is amended to read:

14 93.22 (2) The department may, with the approval of the governor, appoint
15 special counsel to prosecute or assist in the prosecution of any case arising under chs.
16 88 and 93 to ~~100 99~~ and ss. 100.206, 100.21, 100.30, and 100.51. The cost of such
17 special counsel shall be charged to the appropriation for the department.

18 ***b2391/1.7* SECTION 260g.** 95.22 of the statutes is renumbered 95.22 (1).

19 ***b2391/1.7* SECTION 260h.** 95.22 (2) of the statutes is created to read:

20 95.22 (2) The department shall provide the reports of any communicable
21 diseases under sub. (1) to the department of health and family services.

22 ***b2291/2.3* SECTION 260p.** 95.65 of the statutes is created to read:

23 **95.65 Intrastate transportation of white-tailed deer.** (1) In this section,
24 “cervid” means a member of the family of animals that includes deer and moose.

1 (2) The department shall impose the same requirements on the intrastate
2 transportation of white-tailed deer that it imposes on the intrastate transportation
3 of other cervids.

4 *~~4548/2.68~~* *~~3266/P1.43~~* SECTION 261. 97.43 (4) of the statutes is amended
5 to read:

6 97.43 (4) Whoever violates this section ~~may be fined not less than \$500 nor~~
7 ~~more than \$5,000 or imprisoned for not more than 7 years and 6 months or both is~~
8 guilty of a Class H felony.

9 *~~4548/2.69~~* *~~3266/P1.44~~* SECTION 262. 97.45 (2) of the statutes is amended
10 to read:

11 97.45 (2) Whoever violates this section ~~may be fined not less than \$500 nor~~
12 ~~more than \$5,000 or imprisoned for not more than 7 years and 6 months or both is~~
13 guilty of a Class H felony.

14 *~~b3052/1.7~~* SECTION 262m. 100.07 (6) of the statutes is amended to read:

15 100.07 (6) ~~Action~~ Upon request of the department, an action to enjoin violation
16 of this section may be commenced and prosecuted by the department of justice in the
17 name of the state in any court having equity jurisdiction.

18 *~~4548/2.70~~* *~~3266/P1.45~~* SECTION 263. 100.171 (7) (b) of the statutes is
19 amended to read:

20 100.171 (7) (b) Whoever intentionally violates this section ~~may be fined not~~
21 ~~more than \$10,000 or imprisoned for not more than 3 years or both is guilty of a Class~~
22 I felony. A person intentionally violates this section if the violation occurs after the
23 department or a district attorney has notified the person by certified mail that the
24 person is in violation of this section.