

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

1 of P.L. 103–66, and as amended by P.L. 104–188, excluding sections 1123, 1202, 1204,  
2 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34,  
3 P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165  
4 of P.L. 106–554, and as indirectly affected in the provisions applicable to this  
5 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,  
6 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104,  
7 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
8 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.  
9 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123, 1202,  
10 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
11 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162  
12 and 165 of P.L. 106–554, applies for Wisconsin purposes at the same time as for  
13 federal purposes. Amendments to the Internal Revenue Code enacted after  
14 December 31, 1995, do not apply to this subdivision with respect to taxable years  
15 that begin 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.

1           **\*b0685/1.3\* SECTION 2175df.** 71.26 (2) (b) 12. of the statutes is amended to  
2 read:

3           71.26 (2) (b) 12. For taxable years that begin after December 31, 1996, and  
4 before January 1, 1998, for a corporation, conduit or common law trust which  
5 qualifies as a regulated investment company, real estate mortgage investment  
6 conduit, real estate investment trust or financial asset securitization investment  
7 trust under the Internal Revenue Code as amended to December 31, 1996, excluding  
8 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),  
9 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
10 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L. 105–206,  
11 P.L. 105–277 and, P.L. 106–36, and P.L. 106–554, excluding sections 162 and 165 of  
12 P.L. 106–554, and as indirectly affected in the provisions applicable to this  
13 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,  
14 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104,  
15 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
16 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.  
17 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202  
18 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
19 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, and P.L. 106–554,  
20 excluding sections 162 and 165 of P.L. 106–554, “net income” means the federal  
21 regulated investment company taxable income, federal real estate mortgage  
22 investment conduit taxable income, federal real estate investment trust or financial  
23 asset securitization investment trust taxable income of the corporation, conduit or  
24 trust as determined under the Internal Revenue Code as amended to  
25 December 31, 1996, excluding sections 103, 104, and 110 of P.L. 102–227, sections

1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123  
2 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188 and as amended by P.L.  
3 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, and P.L. 106–554,  
4 excluding sections 162 and 165 of P.L. 106–554, 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. 105–206, P.L. 105–277 and,  
12 P.L. 106–36, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, 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, 1996, 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. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277  
24 and, P.L. 106–36, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,  
25 and as indirectly affected in the provisions applicable to this subchapter by P.L.

1 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.  
2 101–239, 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. 105–206, P.L. 105–277 and, P.L. 106–36, and P.L. 106–554, excluding  
8 sections 162 and 165 of P.L. 106–554, applies for Wisconsin purposes at the same  
9 time as for federal purposes. Amendments to the Internal Revenue Code enacted  
10 after December 31, 1996, do not apply to this subdivision with respect to taxable  
11 years that begin after December 31, 1996, and before January 1, 1998, except that  
12 changes to the Internal Revenue Code made by P.L. 105–33, P.L. 105–34, P.L.  
13 105–206, P.L. 105–277 and, P.L. 106–36, and P.L. 106–554, excluding sections 162  
14 and 165 of P.L. 106–554, and changes that indirectly affect the provisions applicable  
15 to this subchapter made by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and,  
16 P.L. 106–36, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, apply  
17 for Wisconsin purposes at the same time as for federal purposes.

18 **\*b0685/1.3\* SECTION 2175dg.** 71.26 (2) (b) 13. of the statutes is amended to  
19 read:

20 71.26 (2) (b) 13. For taxable years that begin after December 31, 1997, and  
21 before January 1, 1999, for a corporation, conduit or common law trust which  
22 qualifies as a regulated investment company, real estate mortgage investment  
23 conduit, real estate investment trust or financial asset securitization investment  
24 trust under the Internal Revenue Code as amended to December 31, 1997, excluding  
25 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),

1 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
2 1605 (d) of P.L. 104–188, and as amended by P.L. 105–178, P.L. 105–206, P.L.  
3 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and  
4 165 of P.L. 106–554, and P.L. 106–573, and as indirectly affected in the provisions  
5 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.  
6 101–73, 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. 106–573, “net income” means the federal regulated  
14 investment company taxable income, federal real estate mortgage investment  
15 conduit taxable income, federal real estate investment trust or financial asset  
16 securitization investment trust taxable income of the corporation, conduit or trust  
17 as determined under the Internal Revenue Code as amended to December 31, 1997,  
18 excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171  
19 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311,  
20 and 1605 (d) of P.L. 104–188, and as amended by P.L. 105–178, P.L. 105–206, P.L.  
21 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and  
22 165 of P.L. 106–554, and P.L. 106–573, and as indirectly affected in the provisions  
23 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.  
24 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,  
25 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.

1 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
2 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,  
3 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.  
4 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.  
5 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–554, excluding sections 162 and  
6 165 of P.L. 106–554, and P.L. 106–573, except that property that, under s. 71.02 (1)  
7 (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986  
8 under the Internal Revenue Code as amended to December 31, 1980, shall continue  
9 to be depreciated under the Internal Revenue Code as amended to  
10 December 31, 1980, and except that the appropriate amount shall be added or  
11 subtracted to reflect differences between the depreciation or adjusted basis for  
12 federal income tax purposes and the depreciation or adjusted basis under this  
13 chapter of any property disposed of during the taxable year. The Internal Revenue  
14 Code as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.  
15 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,  
16 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as  
17 amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170,  
18 P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, and  
19 as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514,  
20 P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,  
21 P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.  
22 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
23 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
24 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)  
25 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178,

1 P.L. 105-206, P.L. 105-277, P.L. 106-36 and and, P.L. 106-170, P.L. 106-554,  
2 excluding sections 162 and 165 of P.L. 106-554, and P.L. 106-573, applies for  
3 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
4 Internal Revenue Code enacted after December 31, 1997, do not apply to this  
5 subdivision with respect to taxable years that begin after December 31, 1997, and  
6 before January 1, 1999, except that changes to the Internal Revenue Code made by  
7 P.L. 105-178, P.L. 105-206, P.L. 105-277, 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. 106-573 and  
9 changes that indirectly affect the provisions applicable to this subchapter made by  
10 P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and and, P.L. 106-170, P.L.  
11 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 106-573 apply for  
12 Wisconsin purposes at the same time as for federal purposes.

13 \*b0685/1.3\* SECTION 2175dgm. 71.26 (2) (b) 14. of the statutes is amended to  
14 read:

15 71.26 (2) (b) 14. For taxable years that begin after December 31, 1998, and  
16 before January 1, 2000, for a corporation, conduit or common law trust which  
17 qualifies as a regulated investment company, real estate mortgage investment  
18 conduit, real estate investment trust or financial asset securitization investment  
19 trust under the Internal Revenue Code as amended to December 31, 1998, excluding  
20 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
21 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
22 1605 (d) of P.L. 104-188, and as amended by P.L. 106-36 and, P.L. 106-170, P.L.  
23 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.  
24 106-573, 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 1123 (b), 1202 (c), 1204 (f),  
5 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
6 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170,  
7 P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L.  
8 106–573, “net income” means the federal regulated investment company taxable  
9 income, federal real estate mortgage investment conduit taxable income, federal real  
10 estate investment trust or financial asset securitization investment trust taxable  
11 income of the corporation, conduit or trust as determined under the Internal  
12 Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and  
13 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
14 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188,  
15 and as amended by P.L. 106–36 and, P.L. 106–170, P.L. 106–230, P.L. 106–554,  
16 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, and as indirectly  
17 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,  
18 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,  
19 P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L.  
20 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
21 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.  
22 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
23 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L.  
24 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–230, P.L. 106–554,  
25 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, except that

1 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
2 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to  
3 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
4 Code as amended to December 31, 1980, and except that the appropriate amount  
5 shall be added or subtracted to reflect differences between the depreciation or  
6 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
7 under this chapter of any property disposed of during the taxable year. The Internal  
8 Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and  
9 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
10 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188,  
11 and as amended by P.L. 106–36 and, P.L. 106–170, P.L. 106–230, P.L. 106–554,  
12 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, and as indirectly  
13 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,  
14 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,  
15 P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L.  
16 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
17 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.  
18 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
19 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L.  
20 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–230, P.L. 106–554,  
21 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, applies for  
22 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
23 Internal Revenue Code enacted after December 31, 1998, do not apply to this  
24 subdivision with respect to taxable years that begin after December 31, 1998, and  
25 before January 1, 2000, except that changes to the Internal Revenue Code made by

1 P.L. 106–36 and, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162  
2 and 165 of P.L. 106–554, and P.L. 106–573 and changes that indirectly affect the  
3 provisions applicable to this subchapter made by P.L. 106–36 and, P.L. 106–170, P.L.  
4 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L.  
5 106–573 apply for Wisconsin purposes at the same time as for federal purposes.

6 \*b0685/1.3\* SECTION 2175dh. 71.26 (2) (b) 15. of the statutes is amended to  
7 read:

8 71.26 (2) (b) 15. For taxable years that begin after December 31, 1999, and  
9 before January 1, 2001, 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, 1999, 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. 106–200, P.L. 106–230, P.L.  
16 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, and as  
17 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.  
18 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.  
19 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.  
20 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
21 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
22 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
23 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.  
24 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–200,  
25 P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L.

1 106-573, “net income” means the federal regulated investment company taxable  
2 income, federal real estate mortgage investment conduit taxable income, federal real  
3 estate investment trust or financial asset securitization investment trust taxable  
4 income of the corporation, conduit or trust as determined under the Internal  
5 Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and  
6 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
7 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
8 and as amended by P.L. 106-200, P.L. 106-230, P.L. 106-554, excluding sections 162  
9 and 165 of P.L. 106-554, and P.L. 106-573, and as indirectly affected in the  
10 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
11 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
12 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
13 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
14 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
15 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
16 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
17 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L. 106-554,  
18 excluding sections 162 and 165 of P.L. 106-554, and P.L. 106-573, except that  
19 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
20 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to  
21 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
22 Code as amended to December 31, 1980, and except that the appropriate amount  
23 shall be added or subtracted to reflect differences between the depreciation or  
24 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
25 under this chapter of any property disposed of during the taxable year. The Internal

1 Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and  
2 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
3 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188,  
4 and as amended by P.L. 106–200, P.L. 106–230, P.L. 106–554, excluding sections 162  
5 and 165 of P.L. 106–554, and P.L. 106–573, and as indirectly affected in the  
6 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647,  
7 P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,  
8 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.  
9 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
10 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,  
11 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.  
12 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.  
13 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–200, P.L. 106–230, P.L. 106–554,  
14 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, applies for  
15 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
16 Internal Revenue Code enacted after December 31, 1999, do not apply to this  
17 subdivision with respect to taxable years that begin after December 31, 1999, and  
18 before January 1, 2001, except that changes to the Internal Revenue Code made by  
19 P.L. 106–200, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L.  
20 106–554, and P.L. 106–573 and changes that indirectly affect the provisions  
21 applicable to this subchapter made by P.L. 106–200, P.L. 106–230, P.L. 106–554,  
22 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573 apply for Wisconsin  
23 purposes at the same time as for federal purposes.

24 \*b0685/1.3\* SECTION 2175dj. 71.26 (2) (b) 16. of the statutes is created to read:

1           71.26 (2) (b) 16. For taxable years that begin after December 31, 2000, for a  
2 corporation, conduit, or common law trust which qualifies as a regulated investment  
3 company, real estate mortgage investment conduit, real estate investment trust, or  
4 financial asset securitization investment trust under the Internal Revenue Code as  
5 amended to December 31, 2000, excluding sections 103, 104, and 110 of P.L. 102–227,  
6 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections  
7 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188 and as indirectly  
8 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,  
9 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,  
10 P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L.  
11 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
12 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.  
13 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
14 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L.  
15 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–200, P.L. 106–230, P.L.  
16 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, “net  
17 income” means the federal regulated investment company taxable income, federal  
18 real estate mortgage investment conduit taxable income, federal real estate  
19 investment trust or financial asset securitization investment trust taxable income  
20 of the corporation, conduit, or trust as determined under the Internal Revenue Code  
21 as amended to December 31, 2000, excluding sections 103, 104, and 110 of P.L.  
22 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66  
23 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as  
24 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.  
25 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.

1 101–508, 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 (b), 1202 (c), 1204 (f), 1311, and 1605  
5 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.  
6 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–200, P.L.  
7 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L.  
8 106–573, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is  
9 required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue  
10 Code as amended to December 31, 1980, shall continue to be depreciated under the  
11 Internal Revenue Code as amended to December 31, 1980, and except that the  
12 appropriate amount shall be added or subtracted to reflect differences between the  
13 depreciation or adjusted basis for federal income tax purposes and the depreciation  
14 or adjusted basis under this chapter of any property disposed of during the taxable  
15 year. The Internal Revenue Code as amended to December 31, 2000, excluding  
16 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),  
17 13174, and 13203 (d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311,  
18 and 1605 (d) of P.L. 104–188, and as indirectly affected in the provisions applicable  
19 to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.  
20 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
21 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
22 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L.  
23 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections  
24 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L.  
25 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.

1 106–36, P.L. 106–170, P.L. 106–200, P.L. 106–230, P.L. 106–554, excluding sections  
2 162 and 165 of P.L. 106–554, and P.L. 106–573, applies for Wisconsin purposes at the  
3 same time as for federal purposes. Amendments to the Internal Revenue Code  
4 enacted after December 31, 2000, do not apply to this subdivision with respect to  
5 taxable years that begin after December 31, 2000.

6 **\*-0667/5.6\* SECTION 2176.** 71.26 (3) (n) of the statutes is amended to read:

7 71.26 (3) (n) Sections 381, 382 and 383 (relating to carry–overs in certain  
8 corporate acquisitions) are modified so that they apply to losses under sub. (4) and  
9 credits under s. 71.28 (1di), (1dL), (1dm), (1dx) and, (3) to, (4), and (5) instead of to  
10 federal credits and federal net operating losses.

11 **\*b0685/1.4\* SECTION 2176d.** 71.26 (3) (y) of the statutes is amended to read:

12 71.26 (3) (y) A corporation may compute amortization and depreciation under  
13 either the federal Internal Revenue Code as amended to December 31, ~~1999~~ 2000,  
14 or the federal Internal Revenue Code in effect for the taxable year for which the  
15 return is filed, except that property first placed in service by the taxpayer on or after  
16 January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br),  
17 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 **\*-0667/5.7\* SECTION 2177.** 71.28 (1dm) of the statutes is created to read:

24 71.28 (1dm) DEVELOPMENT ZONE CAPITAL INVESTMENT CREDIT. (a) In this  
25 subsection:



1           1. “Certified” means entitled under s. 560.795 (3) (a) 4. to claim tax benefits or  
2 certified under s. 560.795 (5).

3           2. “Claimant” means a person who files a claim under this subsection.

4           3. “Development zone” means a development opportunity zone under s. 560.795  
5 (1) (e).

6           4. “Previously owned property” means real property that the claimant or a  
7 related person owned during the 2 years prior to the department of commerce  
8 designating the place where the property is located as a development zone and for  
9 which the claimant may not deduct a loss from the sale of the property to, or an  
10 exchange of the property with, the related person under section 267 of the Internal  
11 Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified  
12 so that if the claimant owns any part of the property, rather than 50% ownership, the  
13 claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes  
14 of this subsection.

15           (b) Subject to the limitations provided in this subsection and in s. 73.03 (35),  
16 for any taxable year for which the claimant is certified, a claimant may claim as a  
17 credit against the taxes imposed under s. 71.23 an amount that is equal to 3% of the  
18 following:

19           1. The purchase price of depreciable, tangible personal property.

20           2. The amount expended to acquire, construct, rehabilitate, remodel, or repair  
21 real property in a development zone.

22           (c) A claimant may claim the credit under par. (b) 1., if the tangible personal  
23 property is purchased after the claimant is certified and the personal property is  
24 used for at least 50% of its use in the claimant’s business at a location in a

1 development zone or, if the property is mobile, the property's base of operations for  
2 at least 50% of its use is at a location in a development zone.

3 (d) A claimant may claim the credit under par. (b) 2. for an amount expended  
4 to construct, rehabilitate, remodel, or repair real property, if the claimant began the  
5 physical work of construction, rehabilitation, remodeling, or repair, or any  
6 demolition or destruction in preparation for the physical work, after the place where  
7 the property is located was designated a development zone, or if the completed  
8 project is placed in service after the claimant is certified. In this paragraph, "physical  
9 work" does not include preliminary activities such as planning, designing, securing  
10 financing, researching, developing specifications, or stabilizing the property to  
11 prevent deterioration.

12 (e) A claimant may claim the credit under par. (b) 2. for an amount expended  
13 to acquire real property, if the property is not previously owned property and if the  
14 claimant acquires the property after the place where the property is located was  
15 designated a development zone, or if the completed project is placed in service after  
16 the claimant is certified.

17 (f) No credit may be allowed under this subsection unless the claimant includes  
18 with the claimant's return:

19 1. A copy of a verification from the department of commerce that the claimant  
20 may claim tax benefits under s. 560.795 (3) (a) 4. or is certified under s. 560.795 (5).

21 2. A statement from the department of commerce verifying the purchase price  
22 of the investment and verifying that the investment fulfills the requirements under  
23 par. (b).

24 (g) In calculating the credit under par. (b) a claimant shall reduce the amount  
25 expended to acquire property by a percentage equal to the percentage of the area of

1 the real property not used for the purposes for which the claimant is certified and  
2 shall reduce the amount expended for other purposes by the amount expended on the  
3 part of the property not used for the purposes for which the claimant is certified.

4 (h) The carry-over provisions of sub. (4) (e) and (f) as they relate to the credit  
5 under sub. (4) relate to the credit under this subsection.

6 (i) Partnerships, limited liability companies, and tax-option corporations may  
7 not claim the credit under this subsection, but the eligibility for, and the amount of,  
8 that credit shall be determined on the basis of their economic activity, not that of their  
9 shareholders, partners, or members. The corporation, partnership, or limited  
10 liability company shall compute the amount of credit that may be claimed by each  
11 of its shareholders, partners, or members and provide that information to its  
12 shareholders, partners, or members. Partners, members of limited liability  
13 companies, and shareholders of tax-option corporations may claim the credit based  
14 on the partnership's, company's, or corporation's activities in proportion to their  
15 ownership interest and may offset it against the tax attributable to their income from  
16 the partnership's, company's, or corporation's business operations in the  
17 development zone and against the tax attributable to their income from the  
18 partnership's, company's, or corporation's directly related business operations.

19 (j) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits  
20 becomes ineligible for such tax benefits, or if a person's certification under s. 560.795  
21 (5) is revoked, that person may claim no credits under this subsection for the taxable  
22 year that includes the day on which the person becomes ineligible for tax benefits,  
23 the taxable year that includes the day on which the certification is revoked, or  
24 succeeding taxable years, and that person may carry over no unused credits from  
25 previous years to offset tax under this chapter for the taxable year that includes the

1 day on which the person becomes ineligible for tax benefits, the taxable year that  
2 includes the day on which the certification is revoked, or succeeding taxable years.

3 (k) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits  
4 or certified under s. 560.795 (5) ceases business operations in the development zone  
5 during any of the taxable years that that zone exists, that person may not carry over  
6 to any taxable year following the year during which operations cease any unused  
7 credits from the taxable year during which operations cease or from previous taxable  
8 years.

9 (L) Subsection (4) (g) and (h) as it applies to the credit under sub. (4) applies  
10 to the credit under this subsection.

11 ~~\*-0669/1.2\*~~ SECTION 2178. 71.28 (1dx) (a) 5. of the statutes is amended to read:  
12 71.28 (1dx) (a) 5. “Member of a targeted group” means ~~a person under sub. (2dj)~~  
13 ~~(am) 1.~~, a person who resides in an empowerment zone, or an enterprise community,  
14 that the U.S. government designates, a person who is employed in an unsubsidized  
15 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin  
16 works employment position, a person who is employed in a trial job, as defined in s.  
17 49.141 (1) (n), ~~or~~ a person who is eligible for child care assistance under s. 49.155, a  
18 person who is a vocational rehabilitation referral, an economically disadvantaged  
19 youth, an economically disadvantaged veteran, a supplemental security income  
20 recipient, a general assistance recipient, an economically disadvantaged ex-convict,  
21 a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated  
22 worker, as defined in 29 USC 2801 (9), or a food stamp recipient; if the person has  
23 been certified in the manner under sub. (1dj) (am) 3. by a designated local agency,  
24 as defined in sub. (1dj) (am) 2.

25 ~~\*-1856/6.3\*~~ SECTION 2179. 71.28 (3g) of the statutes is created to read:

1           71.28 (3g) TECHNOLOGY ZONES CREDIT. (a) Subject to the limitations under this  
2 subsection and ss. 73.03 (35m) and 560.96, a business that is certified under s. 560.96  
3 (3) may claim as a credit against the taxes imposed under s. 71.23 an amount equal  
4 to the sum of the following, as established under s. 560.96 (3) (c):

5           1. The amount of real and personal property taxes imposed under s. 70.01 that  
6 the business paid in the taxable year.

7           2. The amount of income and franchise taxes imposed under s. 71.23 that the  
8 business paid in the taxable year.

9           3. The amount of sales and use taxes imposed under ss. 77.52, 77.53, and 77.71  
10 that the business paid in the taxable year.

11           (b) The department of revenue shall notify the department of commerce of all  
12 claims under this subsection.

13           (c) Subsection (4) (e), (f), (g), and (h), as it applies to the credit under sub. (4),  
14 applies to the credit under par. (a).

15           (d) Partnerships, limited liability companies, and tax-option corporations may  
16 not claim the credit under this subsection, but the eligibility for, and the amount of,  
17 the credit are based on their payment of amounts under par. (a). A partnership,  
18 limited liability company, or tax-option corporation shall compute the amount of  
19 credit that each of its partners, members, or shareholders may claim and shall  
20 provide that information to each of them. Partners, members of limited liability  
21 companies, and shareholders of tax-option corporations may claim the credit in  
22 proportion to their ownership interest.

23           \*–0667/5.8\* SECTION 2180. 71.30 (3) (emb) of the statutes is created to read:

24           71.30 (3) (emb) Development zone capital investment credit under s. 71.28  
25 (1dm).

1           \***-1856/6.4\*** SECTION 2181. 71.30 (3) (eon) of the statutes is created to read:  
2           71.30 (3) (eon) Technology zones credit under s. 71.28 (3g).

3           \***-0667/5.9\*** SECTION 2182. 71.34 (1) (g) of the statutes is amended to read:  
4           71.34 (1) (g) An addition shall be made for credits computed by a tax-option  
5           corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx) and, (3),  
6           and (3g) and passed through to shareholders.

7           \***b0685/1.5\*** SECTION 2182d. 71.34 (1g) (g) of the statutes is repealed.

8           \***b0685/1.5\*** SECTION 2182db. 71.34 (1g) (h) of the statutes is amended to read:  
9           71.34 (1g) (h) "Internal Revenue Code" for tax-option corporations, for taxable  
10          years that begin after December 31, 1992, and before January 1, 1994, means the  
11          federal Internal Revenue Code as amended to December 31, 1992, excluding  
12          sections 103, 104 and 110 of P.L. 102-227, and as amended by P.L. 103-66, excluding  
13          sections 13101 (a) and (c) 1, 13113, 13150, 13171, 13174, and 13203 of P.L. 103-66,  
14          P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 105-34, P.L.  
15          105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L.  
16          106-554, and as indirectly affected in the provisions applicable to this subchapter  
17          by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d)  
18          (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.  
19          100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
20          102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
21          102-486, P.L. 103-66, excluding sections 13101 (a) and (c) 1, 13113, 13150, 13171,  
22          13174, and 13203 of P.L. 103-66, P.L. 103-465, P.L. 104-188, excluding section 1311  
23          of P.L. 104-188, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554,  
24          excluding sections 162 and 165 of P.L. 106-554, except that section 1366 (f) (relating  
25          to pass-through of items to shareholders) is modified by substituting the tax under

1 s. 71.35 for the taxes under sections 1374 and 1375. 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, 1992, do not apply to this paragraph with respect to taxable years  
5 beginning after December 31, 1992, and before January 1, 1994, except that  
6 changes to the Internal Revenue Code made by P.L. 103–66, P.L. 103–465, P.L.  
7 104–188, excluding section 1311 of P.L. 104–188, P.L. 105–34, P.L. 105–206 and, P.L.  
8 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and  
9 changes that indirectly affect the provisions applicable to this subchapter made by  
10 P.L. 103–66, P.L. 103–465, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L.  
11 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162  
12 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time as for federal  
13 purposes.

14 \*b0685/1.5\* SECTION 2182dc. 71.34 (1g) (i) of the statutes is amended to read:  
15 71.34 (1g) (i) “Internal Revenue Code” for tax-option corporations, for taxable  
16 years that begin after December 31, 1993, and before January 1, 1995, means the  
17 federal Internal Revenue Code as amended to December 31, 1993, excluding  
18 sections 103, 104, and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d),  
19 13174, 13203 (d), and 13215 of P.L. 103–66, and as amended by P.L. 103–296, P.L.  
20 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188,  
21 excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L.  
22 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L.  
23 106–554, and as indirectly affected in the provisions applicable to this subchapter  
24 by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding sections 803 (d) (2) (B), 805 (d)  
25 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L.

1 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.  
2 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L.  
3 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, 13203  
4 (d), and 13215 of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7,  
5 excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.  
6 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277,  
7 and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, except that section  
8 1366 (f) (relating to pass-through of items to shareholders) is modified by  
9 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The  
10 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal  
11 purposes. Amendments to the federal Internal Revenue Code enacted after  
12 December 31, 1993, do not apply to this paragraph with respect to taxable years  
13 beginning after December 31, 1993, and before January 1, 1995, except that  
14 changes to the Internal Revenue Code made by P.L. 103–296, P.L. 103–337, P.L.  
15 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding  
16 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206  
17 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,  
18 and changes that indirectly affect the provisions applicable to this subchapter made  
19 by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L.  
20 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L.  
21 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding  
22 sections 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time  
23 as for federal purposes.

24 \*b0685/1.5\* SECTION 2182dd. 71.34 (1g) (j) of the statutes is amended to read:



1           71.34 (1g) (j) “Internal Revenue Code” for tax-option corporations, for taxable  
2 years that begin after December 31, 1994, and before January 1, 1996, means the  
3 federal Internal Revenue Code as amended to December 31, 1994, excluding  
4 sections 103, 104, and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d),  
5 13174, and 13203 (d) of P.L. 103–66, and as amended by P.L. 104–7, P.L. 104–188,  
6 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L.  
7 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding  
8 sections 162 and 165 of P.L. 106–554, and as indirectly affected in the provisions  
9 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding  
10 sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514  
11 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.  
12 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.  
13 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
14 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
15 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311, and 1605 of  
16 P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L.  
17 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, except  
18 that section 1366 (f) (relating to pass-through of items to shareholders) is modified  
19 by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375.  
20 The Internal Revenue Code applies for Wisconsin purposes at the same time as for  
21 federal purposes. Amendments to the federal Internal Revenue Code enacted after  
22 December 31, 1994, do not apply to this paragraph with respect to taxable years  
23 beginning after December 31, 1994, and before January 1, 1996, except changes to  
24 the Internal Revenue Code made by P.L. 104–7, P.L. 104–188, excluding sections  
25 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34,

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

7 \*b0685/1.5\* SECTION 2182de. 71.34 (1g) (k) of the statutes is amended to read:

8 71.34 (1g) (k) “Internal Revenue Code” for tax-option corporations, for taxable  
9 years that begin after December 31, 1995, and before January 1, 1997, means the  
10 federal 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 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823  
18 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of 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, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
24 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding  
25 sections 162 and 165 of P.L. 106–554, except that section 1366 (f) (relating to

1 pass-through of items to shareholders) is modified by substituting the tax under s.  
2 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies  
3 for Wisconsin purposes at the same time as for federal purposes. Amendments to the  
4 federal Internal Revenue Code enacted after December 31, 1995, do not apply to this  
5 paragraph with respect to taxable years beginning after December 31, 1995, and  
6 before January 1, 1997, except that changes to the Internal Revenue Code made by  
7 P.L. 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188,  
8 P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L.  
9 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and  
10 changes that indirectly affect the provisions applicable to this subchapter made by  
11 P.L. 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188,  
12 P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L.  
13 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, apply for  
14 Wisconsin purposes at the same time as for federal purposes.

15 **\*b0685/1.5\* SECTION 2182df.** 71.34 (1g) (L) of the statutes is amended to read:  
16 71.34 (1g) (L) “Internal Revenue Code” for tax-option corporations, for taxable  
17 years that begin after December 31, 1996, and before January 1, 1998, means the  
18 federal Internal Revenue Code as amended to December 31, 1996, excluding  
19 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),  
20 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
21 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L. 105–206,  
22 P.L. 105–277 and, P.L. 106–36, and P.L. 106–554, excluding sections 162 and 165 of  
23 P.L. 106–554, and as indirectly affected in the provisions applicable to this  
24 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding sections 803 (d) (2)  
25 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008

1 (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.  
2 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.  
3 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
4 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
5 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
6 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.  
7 105–206, P.L. 105–277 and, P.L. 106–36, and P.L. 106–554, excluding sections 162  
8 and 165 of P.L. 106–554, except that section 1366 (f) (relating to pass-through of  
9 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes  
10 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin  
11 purposes at the same time as for federal purposes. Amendments to the federal  
12 Internal Revenue Code enacted after December 31, 1996, do not apply to this  
13 paragraph with respect to taxable years beginning after December 31, 1996, and  
14 before January 1, 1998, except that changes to the Internal Revenue Code made by  
15 P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, and P.L.  
16 106–554, excluding sections 162 and 165 of P.L. 106–554, and changes that indirectly  
17 affect the provisions applicable to this subchapter made by P.L. 105–33, P.L. 105–34,  
18 P.L. 105–206, P.L. 105–277 and, P.L. 106–36, and P.L. 106–554, excluding sections  
19 162 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time as for  
20 federal purposes.

21 \*b0685/1.5\* SECTION 2182dg. 71.34 (1g) (m) of the statutes is amended to read:

22 71.34 (1g) (m) “Internal Revenue Code” for tax-option corporations, for taxable  
23 years that begin after December 31, 1997, and before January 1, 1999, means the  
24 federal Internal Revenue Code as amended to December 31, 1997, excluding sections  
25 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and

1 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)  
2 of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
3 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.  
4 106-554, and P.L. 106-573, and as indirectly affected in the provisions applicable to  
5 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803  
6 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section  
7 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239,  
8 P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
9 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
10 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
11 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
12 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
13 105-178, P.L. 105-206, P.L. 105-277, 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. 106-573, except that section  
15 1366 (f) (relating to pass-through of items to shareholders) is modified by  
16 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The  
17 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal  
18 purposes. Amendments to the federal Internal Revenue Code enacted after  
19 December 31, 1997, do not apply to this paragraph with respect to taxable years  
20 beginning after December 31, 1997, and before January 1, 1999, except that  
21 changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L.  
22 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and  
23 165 of P.L. 106-554, and P.L. 106-573 and changes that indirectly affect the  
24 provisions applicable to this subchapter made by 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. 106-573 apply for Wisconsin purposes at the same time  
2 as for federal purposes.

3 \*b0685/1.5\* SECTION 2182dh. 71.34 (1g) (n) of the statutes is amended to read:  
4 71.34 (1g) (n) "Internal Revenue Code" for tax-option corporations, for taxable  
5 years that begin after December 31, 1998, and before January 1, 2000, means the  
6 federal Internal Revenue Code as amended to December 31, 1998, excluding sections  
7 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and  
8 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)  
9 of P.L. 104-188, and as amended by P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L.  
10 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 106-573, and as  
11 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
12 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
13 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.  
14 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
15 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
16 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
17 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
18 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
19 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
20 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding  
21 sections 162 and 165 of P.L. 106-554, and P.L. 106-573, except that section 1366 (f)  
22 (relating to pass-through of items to shareholders) is modified by substituting the  
23 tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue  
24 Code applies for Wisconsin purposes at the same time as for federal purposes.  
25 Amendments to the federal Internal Revenue Code enacted after December 31, 1998,

1 do not apply to this paragraph with respect to taxable years beginning after  
2 December 31, 1998, and before January 1, 2000, except that changes to the Internal  
3 Revenue Code made by P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
4 excluding sections 162 and 165 of P.L. 106-554, and P.L. 106-573 and changes that  
5 indirectly affect the provisions applicable to this subchapter made by P.L. 106-36  
6 and, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.  
7 106-554, and P.L. 106-573 apply for Wisconsin purposes at the same time as for  
8 federal purposes.

9       **\*b0685/1.5\* SECTION 2182dj.** 71.34 (1g) (o) of the statutes is amended to read:  
10       71.34 (1g) (o) "Internal Revenue Code" for tax-option corporations, for taxable  
11 years that begin after December 31, 1999, and before January 1, 2001, means the  
12 federal Internal Revenue Code as amended to December 31, 1999, 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. 106-200, P.L. 106-230, P.L. 106-554,  
16 excluding sections 162 and 165 of P.L. 106-554, and P.L. 106-573, and as indirectly  
17 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,  
18 P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and  
19 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L.  
20 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
21 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding  
22 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.  
23 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections  
24 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
25 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.

1 106-36 and, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L. 106-554, excluding  
2 sections 162 and 165 of P.L. 106-554, and P.L. 106-573, except that section 1366 (f)  
3 (relating to pass-through of items to shareholders) is modified by substituting the  
4 tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue  
5 Code applies for Wisconsin purposes at the same time as for federal purposes.  
6 Amendments to the federal Internal Revenue Code enacted after December 31, 1999,  
7 do not apply to this paragraph with respect to taxable years beginning after  
8 December 31, 1999, and before January 1, 2001, except that changes to the Internal  
9 Revenue Code made by P.L. 106-200, P.L. 106-230, P.L. 106-554, excluding sections  
10 162 and 165 of P.L. 106-554, and P.L. 106-573 and changes that indirectly affect the  
11 provisions applicable to this subchapter made by P.L. 106-200, P.L. 106-230, P.L.  
12 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L. 106-573 apply for  
13 Wisconsin purposes at the same time as for federal purposes.

14 \*b0685/1.5\* SECTION 2182dk. 71.34 (1g) (p) of the statutes is created to read:  
15 71.34 (1g) (p) "Internal Revenue Code" for tax-option corporations, for taxable  
16 years that begin after December 31, 2000, means the federal Internal Revenue Code  
17 as amended to December 31, 2000, excluding sections 103, 104, and 110 of P.L.  
18 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66  
19 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as  
20 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
21 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
22 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.  
23 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
24 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
25 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.



1 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,  
2 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.  
3 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.  
4 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–200, P.L. 106–230, P.L. 106–554,  
5 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, except that section  
6 1366 (f) (relating to pass-through of items to shareholders) is modified by  
7 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The  
8 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal  
9 purposes. Amendments to the federal Internal Revenue Code enacted after  
10 December 31, 2000, do not apply to this paragraph with respect to taxable years  
11 beginning after December 31, 2000.

12 \*b0685/1.5\* SECTION 2182dL. 71.365 (1m) of the statutes is amended to read:  
13 71.365 (1m) TAX-OPTION CORPORATIONS; DEPRECIATION. A tax-option corporation  
14 may compute amortization and depreciation under either the federal Internal  
15 Revenue Code as amended to December 31, 1999 2000, or the federal Internal  
16 Revenue Code in effect for the taxable year for which the return is filed, except that  
17 property first placed in service by the taxpayer on or after January 1, 1983, but  
18 before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required  
19 to be depreciated under the Internal Revenue Code as amended to  
20 December 31, 1980, and property first placed in service in taxable year 1981 or  
21 thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is  
22 required to be depreciated under the Internal Revenue Code as amended to  
23 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
24 Code as amended to December 31, 1980. Any difference between the adjusted basis  
25 for federal income tax purposes and the adjusted basis under this chapter shall be

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

14 **\*b0685/1.5\* SECTION 2182dm.** 71.42 (2) (f) of the statutes is repealed.

15 **\*b0685/1.5\* SECTION 2182dn.** 71.42 (2) (g) of the statutes is amended to read:

16 71.42 (2) (g) For taxable years that begin after December 31, 1992, and before  
17 January 1, 1994, "Internal Revenue Code" means the federal Internal Revenue Code  
18 as amended to December 31, 1992, excluding sections 103, 104, and 110 of P.L.  
19 102–227, and as amended by P.L. 103–66, excluding sections 13101 (a) and (c) 1,  
20 13113, 13150, 13171, 13174, and 13203 of P.L. 103–66, P.L. 103–465, P.L. 104–188,  
21 excluding section 1311 of P.L. 104–188, P.L. 105–34, P.L. 105–206 and, P.L. 105–277,  
22 and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and as indirectly  
23 affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L.  
24 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and  
25 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections

1 13101 (a) and (c) 1, 13113, 13150, 13171, 13174, and 13203 of P.L. 103–66, P.L.  
2 103–465, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 105–34, P.L.  
3 105–206 and P.L. 105–277 and, P.L. 105–277, and P.L. 106–554, excluding sections  
4 162 and 165 of P.L. 106–554, except that “Internal Revenue Code” does not include  
5 section 847 of the federal Internal Revenue Code. The Internal Revenue Code  
6 applies for Wisconsin purposes at the same time as for federal purposes.  
7 Amendments to the federal Internal Revenue Code enacted after  
8 December 31, 1992, do not apply to this paragraph with respect to taxable years  
9 beginning after December 31, 1992, and before January 1, 1994, except that  
10 changes to the Internal Revenue Code made by P.L. 103–66, P.L. 103–465, P.L.  
11 104–188, excluding section 1311 of P.L. 104–188, P.L. 105–34, P.L. 105–206 and, P.L.  
12 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and  
13 changes that indirectly affect the federal Internal Revenue Code made by P.L.  
14 103–66, P.L. 103–465, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L.  
15 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162  
16 and 165 of P.L. 106–554, apply for Wisconsin purposes at the same time as for federal  
17 purposes.

18 **\*b0685/1.5\* SECTION 2182dp.** 71.42 (2) (h) of the statutes is amended to read:

19 71.42 (2) (h) For taxable years that begin after December 31, 1993, and before  
20 January 1, 1995, “Internal Revenue Code” means the federal Internal Revenue Code  
21 as amended to December 31, 1993 excluding sections 103, 104, and 110 of P.L.  
22 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L.  
23 103–66, and as amended by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7,  
24 excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.  
25 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277,

1 and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and as indirectly  
2 affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L.  
3 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and  
4 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486 and P.L. 103–66, excluding sections  
5 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103–66, P.L. 103–296,  
6 P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L.  
7 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
8 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162  
9 and 165 of P.L. 106–554, except that “Internal Revenue Code” does not include  
10 section 847 of the federal Internal Revenue Code. The Internal Revenue Code  
11 applies for Wisconsin purposes at the same time as for federal purposes.  
12 Amendments to the federal Internal Revenue Code enacted after  
13 December 31, 1993, do not apply to this paragraph with respect to taxable years  
14 beginning after December 31, 1993, and before January 1, 1995, except that  
15 changes to the Internal Revenue Code made by P.L. 103–296, P.L. 103–337, P.L.  
16 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding  
17 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206  
18 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,  
19 and changes that indirectly affect the provisions applicable to this subchapter made  
20 by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L.  
21 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L.  
22 104–193, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, 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 **\*b0685/1.5\* SECTION 2182dq. 71.42 (2) (i) of the statutes is amended to read:**

1           71.42 (2) (i) For taxable years that begin after December 31, 1994, and before  
2 January 1, 1996, "Internal Revenue Code" means the federal Internal Revenue Code  
3 as amended to December 31, 1994, excluding sections 103, 104, and 110 of P.L.  
4 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
5 103-66, and as amended by P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204,  
6 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.  
7 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162 and 165 of P.L.  
8 106-554, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.  
9 101-73, 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 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.  
14 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding  
15 sections 162 and 165 of P.L. 106-554, except that "Internal Revenue Code" does not  
16 include section 847 of the federal Internal Revenue Code. The Internal Revenue  
17 Code applies for Wisconsin purposes at the same time as for federal purposes.  
18 Amendments to the federal Internal Revenue Code enacted after  
19 December 31, 1994, do not apply to this paragraph with respect to taxable years  
20 beginning after December 31, 1994, and before January 1, 1996, except that  
21 changes to the Internal Revenue Code made by P.L. 104-7, P.L. 104-188, excluding  
22 sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
23 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, excluding sections 162  
24 and 165 of P.L. 106-554, and changes that indirectly affect the provisions applicable  
25 to this subchapter made by P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204,

1 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L.  
2 105–206 and, P.L. 105–277, and P.L. 106–554, excluding sections 162 and 165 of P.L.  
3 106–554, apply for Wisconsin purposes at the same time as for federal purposes.

4 \*b0685/1.5\* SECTION 2182dr. 71.42 (2) (j) of the statutes is amended to read:

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

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

9 **\*b0685/1.5\* SECTION 2182ds.** 71.42 (2) (k) of the statutes is amended to read:  
10 71.42 (2) (k) For taxable years that begin after December 31, 1996, and before  
11 January 1, 1998, “Internal Revenue Code” means the federal Internal Revenue Code  
12 as amended to December 31, 1996, excluding sections 103, 104, and 110 of P.L.  
13 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66  
14 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as  
15 amended by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36,  
16 and P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and as indirectly  
17 affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L.  
18 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and  
19 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
20 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.  
21 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202  
22 (c) 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
23 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277 and, P.L. 106–36, and P.L. 106–554,  
24 excluding sections 162 and 165 of P.L. 106–554, except that “Internal Revenue Code”  
25 does not include section 847 of the federal Internal Revenue Code. The Internal

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

11 \*b0685/1.5\* SECTION 2182dt. 71.42 (2) (L) of the statutes is amended to read:

12 71.42 (2) (L) For taxable years that begin after December 31, 1997, and before  
13 January 1, 1999, “Internal Revenue Code” means the federal Internal Revenue Code  
14 as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.  
15 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66  
16 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as  
17 amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170,  
18 P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573, and  
19 as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.  
20 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
21 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
22 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L.  
23 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections  
24 1123 (b), 1202 (c) 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L.  
25 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.



1 106-36 and, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L.  
2 106-554, and P.L. 106-573, except that “Internal Revenue Code” does not include  
3 section 847 of the federal Internal Revenue Code. The Internal Revenue Code  
4 applies for Wisconsin purposes at the same time as for federal purposes.  
5 Amendments to the federal Internal Revenue Code enacted after December 31, 1997,  
6 do not apply to this paragraph with respect to taxable years beginning after  
7 December 31, 1997, and before January 1, 1999, except that changes to the Internal  
8 Revenue Code made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and,  
9 P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.  
10 106-573 and changes that indirectly affect the provisions applicable to this  
11 subchapter made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.  
12 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.  
13 106-573 apply for Wisconsin purposes at the same time as for federal purposes.

14 \*b0685/1.5\* SECTION 2182du. 71.42 (2) (m) of the statutes is amended to read:  
15 71.42 (2) (m) For taxable years that begin after December 31, 1998, and before  
16 January 1, 2000, “Internal Revenue Code” means the federal Internal Revenue Code  
17 as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L.  
18 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66  
19 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as  
20 amended by P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding  
21 sections 162 and 165 of P.L. 106-554, and P.L. 106-573, and as indirectly affected by  
22 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,  
23 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.  
24 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150  
25 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.

1 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c) 1204 (f),  
2 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.  
3 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,  
4 P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.  
5 106-573, 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, 1998, do not apply to this  
9 paragraph with respect to taxable years beginning after December 31, 1998, and  
10 before January 1, 2000, except that changes to the Internal Revenue Code made by  
11 P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162  
12 and 165 of P.L. 106-554, and P.L. 106-573 and changes that indirectly affect the  
13 provisions applicable to this subchapter made by P.L. 106-36 and, P.L. 106-170, P.L.  
14 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, and P.L.  
15 106-573 apply for Wisconsin purposes at the same time as for federal purposes.

16 \*b0685/1.5\* SECTION 2182dv. 71.42 (2) (n) of the statutes is amended to read:

17 71.42 (2) (n) For taxable years that begin after December 31, 1999, and before  
18 January 1, 2001, “Internal Revenue Code” means the federal Internal Revenue Code  
19 as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.  
20 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66  
21 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as  
22 amended by P.L. 106-200, P.L. 106-230, P.L. 106-554, excluding sections 162 and  
23 165 of P.L. 106-554, and P.L. 106-573, and as indirectly affected by P.L. 99-514, P.L.  
24 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
25 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.

1 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
2 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
3 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c) 1204 (f), 1311, and 1605 (d)  
4 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178,  
5 P.L. 105–206, P.L. 105–277, P.L. 106–36 and, P.L. 106–170, P.L. 106–200, P.L.  
6 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, and P.L.  
7 106–573, except that “Internal Revenue Code” does not include section 847 of the  
8 federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin  
9 purposes at the same time as for federal purposes. Amendments to the federal  
10 Internal Revenue Code enacted after December 31, 1999, do not apply to this  
11 paragraph with respect to taxable years beginning after December 31, 1999, and  
12 before January 1, 2001, except that changes to the Internal Revenue Code made by  
13 P.L. 106–200, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L.  
14 106–554, and P.L. 106–573 and changes that indirectly affect the provisions  
15 applicable to this subchapter made by P.L. 106–200, P.L. 106–230, P.L. 106–554,  
16 excluding sections 162 and 165 of P.L. 106–554, and P.L. 106–573 apply for Wisconsin  
17 purposes at the same time as for federal purposes.

18 \*b0685/1.5\* SECTION 2182dw. 71.42 (2) (o) of the statutes is created to read:  
19 71.42 (2) (o) For taxable years that begin after December 31, 2000, “Internal  
20 Revenue Code” means the federal Internal Revenue Code as amended to  
21 December 31, 2000, excluding sections 103, 104, and 110 of P.L. 102–227, sections  
22 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123  
23 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as indirectly affected  
24 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,  
25 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.

1 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
2 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
3 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c) 1204 (f),  
4 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
5 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.  
6 106–200, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,  
7 and P.L. 106–573, except that “Internal Revenue Code” does not include section 847  
8 of the federal Internal Revenue Code. The Internal Revenue Code applies for  
9 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
10 federal Internal Revenue Code enacted after December 31, 2000, do not apply to this  
11 paragraph with respect to taxable years beginning after December 31, 2000.

12 **\*-0538/2.3\* SECTION 2183.** 71.42 (3d) of the statutes is created to read:

13 71.42 (3d) “Member” does not include a member of a limited liability company  
14 treated as a corporation under s. 71.22 (1).

15 **\*-0538/2.4\* SECTION 2184.** 71.42 (3h) of the statutes is created to read:

16 71.42 (3h) “Partner” does not include a partner of a publicly traded partnership  
17 treated as a corporation under s. 71.22 (1).

18 **\*b0685/1.6\* SECTION 2184r.** 71.45 (2) (a) 13. of the statutes is amended to read:

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

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

7 **\*-1059/6.25\* SECTION 2185.** 71.45 (3) (intro.) of the statutes is amended to  
8 read:

9 71.45 (3) APPORTIONMENT. (intro.) ~~With respect~~ Except as provided in sub. (3d),  
10 to determine Wisconsin income for purposes of the franchise tax, domestic insurers  
11 ~~not engaged in the sale of life insurance but which that,~~ in the taxable year, have  
12 ~~collected~~ received premiums, other than life insurance premiums, written on  
13 ~~subjects of~~ for insurance on property or risks resident, located or to be performed  
14 outside this state, ~~there shall be subtracted from~~ multiply the net income figure  
15 derived by application of sub. (2) (a) ~~to arrive at Wisconsin income constituting the~~  
16 ~~measure of the franchise tax an amount calculated by multiplying such adjusted~~  
17 ~~federal taxable income~~ by the arithmetic average of the following 2 percentages:

18 **\*-1059/6.26\* SECTION 2186.** 71.45 (3) (a) of the statutes is amended to read:

19 71.45 (3) (a) The ~~Subject to sub. (3d),~~ the percentage of total determined by  
20 dividing the sum of direct premiums written on all property and risks for insurance  
21 other than life insurance, with respects to all property and risks resident, located,  
22 or to be performed in this state, and assumed premiums written for reinsurance,  
23 other than life insurance, with respect to all property and risks resident, located, or  
24 to be performed in this state, by the sum of direct premiums written for insurance  
25 on all property and risks, other than life insurance, wherever located during the

1 ~~taxable year, as reflects, and assumed~~ premiums written on ~~insurance for~~  
2 ~~reinsurance on all property and risks, other than life insurance, where the subject~~  
3 ~~of insurance was resident, located or to be performed outside this state wherever~~  
4 ~~located. In this paragraph, “direct premiums” means direct premiums as reported~~  
5 ~~for the taxable year on an annual statement that is filed by the insurer with the~~  
6 ~~commissioner of insurance under s. 601.42 (1g) (a). In this paragraph, “assumed~~  
7 ~~premiums” means assumed reinsurance premiums from domestic insurance~~  
8 ~~companies as reported for the taxable year on an annual statement that is filed with~~  
9 ~~the commissioner of insurance under s. 601.42 (1g) (a).~~

10 \*~~1059/6.27~~\* SECTION 2187. 71.45 (3) (b) of the statutes is renumbered 71.45  
11 (3) (b) 1. and amended to read:

12 71.45 (3) (b) 1. ~~The Subject to sub. (3d), the percentage of determined by~~  
13 ~~dividing the payroll, exclusive of life insurance payroll, paid in this state in the~~  
14 ~~taxable year by total payroll, exclusive of life insurance payroll, paid everywhere in~~  
15 ~~the taxable year as reflects such compensation paid outside this state.~~  
16 ~~Compensation.~~

17 2. Under subd. 1., payroll is paid outside in this state if the individual’s service  
18 is performed entirely outside in this state; or the individual’s service is performed  
19 both ~~within and without~~ in and outside this state, but the service performed ~~within~~  
20 outside this state is incidental to the individual’s service ~~without in~~ this state; or  
21 some service is performed ~~without in~~ in this state and the base of operations, or if there  
22 is no base of operations, the place from which the service is directed or controlled is  
23 ~~without in~~ in this state, or the base of operations or the place from which the service is  
24 directed or controlled is not in any state in which some part of the service is  
25 performed, but the individual’s residence is ~~outside in~~ outside in this state.

1           \***-1059/6.28\*** SECTION 2188. 71.45 (3d) of the statutes is created to read:

2           71.45 (3d) PHASE IN; DOMESTIC INSURERS. (a) For taxable years beginning after  
3           December 31, 2003, and before January 1, 2005, a domestic insurer that is subject  
4           to apportionment under sub. (3) and this subsection shall multiply the net income  
5           figure derived by the application of sub. (2) by an apportionment fraction composed  
6           of the percentage under sub. (3) (a) representing 60% of the fraction and the  
7           percentage under sub. (3) (b) 1. representing 40% of the fraction.

8           (b) For taxable years beginning after December 31, 2004, and before January  
9           1, 2006, a domestic insurer that is subject to apportionment under sub. (3) and this  
10          subsection shall multiply the net income figure derived by the application of sub. (2)  
11          by an apportionment fraction composed of the percentage under sub. (3) (a)  
12          representing 80% of the fraction and the percentage under sub. (3) (b) 1. representing  
13          20% of the fraction.

14          (c) For taxable years beginning after December 31, 2005, a domestic insurer  
15          that is subject to apportionment under sub. (3) and this subsection shall multiply the  
16          net income figure derived by the application of sub. (2) by the percentage under sub.  
17          (3) (a).

18          \***b0679/3.35\*** SECTION 2188m. 71.45 (3e) of the statutes is created to read:

19          71.45 (3e) APPORTIONMENT FORMULA COMPUTATION. (a) 1. For taxable years  
20          beginning before January 1, 2006, if both the numerator and the denominator used  
21          to determine the percentage under sub. (3) (a) related to a taxpayer's net income are  
22          zero, the percentage under sub. (3) (a) is eliminated from the apportionment formula  
23          to determine the taxpayer's income under sub. (3).

24          2. For taxable years beginning after December 31, 2005, if both the numerator  
25          and the denominator used to determine the percentage under sub. (3) (a) related to

1 a taxpayer's net income are zero, none of the taxpayer's net income is apportioned  
2 to this state.

3 (b) 1. For taxable years beginning before January 1, 2006, if the numerator  
4 used to determine the percentage under sub. (3) (a) related to a taxpayer's net income  
5 is a negative number and the denominator used to determine the percentage under  
6 sub. (3) (a) related to a taxpayer's net income is not zero, the percentage under sub.  
7 (3) (a) is zero.

8 2. For taxable years beginning after December 31, 2005, if the numerator used  
9 to determine the percentage under sub. (3) (a) related to a taxpayer's net income is  
10 a negative number and the denominator used to determine the percentage under  
11 sub. (3) (a) related to a taxpayer's net income is not zero, none of the taxpayer's net  
12 income is apportioned to this state.

13 (c) 1. For taxable years beginning before January 1, 2006, if the numerator used  
14 to determine the percentage under sub. (3) (a) related to a taxpayer's net income is  
15 a positive number and the denominator used to determine the percentage under sub.  
16 (3) (a) related to a taxpayer's net income is zero or a negative number, the percentage  
17 under sub. (3) (a) is one.

18 2. For taxable years beginning after December 31, 2005, if the numerator used  
19 to determine the percentage under sub. (3) (a) related to a taxpayer's net income is  
20 a positive number and the denominator used to determine the percentage under sub.  
21 (3) (a) related to a taxpayer's net income is zero or a negative number, all of the  
22 taxpayer's net income is apportioned to this state.

23 **\*-1059/6.29\* SECTION 2189.** 71.45 (3m) of the statutes is amended to read:

24 71.45 (3m) ARITHMETIC AVERAGE. The Except as provided in sub. (3d), the  
25 arithmetic average of the 2 percentages referred to in sub. (3) shall be applied to the



1 net income figure arrived at by the successive application of sub. (2) (a) and (b) with  
2 respect to Wisconsin insurers to which sub. (2) (a) and (b) applies and which have  
3 ~~collected received premiums, other than life insurance premiums,~~ written upon for  
4 ~~insurance, other than life insurance, where the subject of such insurance was on~~  
5 ~~property or risks~~ resident, located or to be performed outside this state, to arrive at  
6 Wisconsin income constituting the measure of the franchise tax.

7 **\*-1493/1.3\* SECTION 2190.** 71.45 (6) of the statutes is created to read:

8 71.45 (6) PARTNERSHIPS AND LIMITED LIABILITY COMPANIES. (a) A general or  
9 limited partner's share of the numerator and denominator of a partnership's  
10 apportionment factors under this section are included in the numerator and  
11 denominator of the general or limited partner's apportionment factors under this  
12 section.

13 (b) If a limited liability company is treated as a partnership, for federal tax  
14 purposes, a member's share of the numerator and denominator of a limited liability  
15 company's apportionment factors under this section are included in the numerator  
16 and denominator of the member's apportionment factors under this section.

17 **\*-0667/5.10\* SECTION 2191.** 71.47 (1dm) of the statutes is created to read:

18 71.47 (1dm) DEVELOPMENT ZONE CAPITAL INVESTMENT CREDIT. (a) In this  
19 subsection:

20 1. "Certified" means entitled under s. 560.795 (3) (a) 4. to claim tax benefits or  
21 certified under s. 560.795 (5).

22 2. "Claimant" means a person who files a claim under this subsection.

23 3. "Development zone" means a development opportunity zone under s. 560.795  
24 (1) (e).

1           4. “Previously owned property” means real property that the claimant or a  
2 related person owned during the 2 years prior to the department of commerce  
3 designating the place where the property is located as a development zone and for  
4 which the claimant may not deduct a loss from the sale of the property to, or an  
5 exchange of the property with, the related person under section 267 of the Internal  
6 Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified  
7 so that if the claimant owns any part of the property, rather than 50% ownership, the  
8 claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes  
9 of this subsection.

10           (b) Subject to the limitations provided in this subsection and in s. 73.03 (35),  
11 for any taxable year for which the claimant is certified, a claimant may claim as a  
12 credit against the taxes imposed under s. 71.43 an amount that is equal to 3% of the  
13 following:

- 14           1. The purchase price of depreciable, tangible personal property.
- 15           2. The amount expended to acquire, construct, rehabilitate, remodel, or repair  
16 real property in a development zone.

17           (c) A claimant may claim the credit under par. (b) 1., if the tangible personal  
18 property is purchased after the claimant is certified and the personal property is  
19 used for at least 50% of its use in the claimant’s business at a location in a  
20 development zone or, if the property is mobile, the property’s base of operations for  
21 at least 50% of its use is at a location in a development zone.

22           (d) A claimant may claim the credit under par. (b) 2. for an amount expended  
23 to construct, rehabilitate, remodel, or repair real property, if the claimant began the  
24 physical work of construction, rehabilitation, remodeling, or repair, or any  
25 demolition or destruction in preparation for the physical work, after the place where

1 the property is located was designated a development zone, or if the completed  
2 project is placed in service after the claimant is certified. In this paragraph, “physical  
3 work” does not include preliminary activities such as planning, designing, securing  
4 financing, researching, developing specifications, or stabilizing the property to  
5 prevent deterioration.

6 (e) A claimant may claim the credit under par. (b) 2. for an amount expended  
7 to acquire real property, if the property is not previously owned property and if the  
8 claimant acquires the property after the place where the property is located was  
9 designated a development zone, or if the completed project is placed in service after  
10 the claimant is certified.

11 (f) No credit may be allowed under this subsection unless the claimant includes  
12 with the claimant’s return:

13 1. A copy of a verification from the department of commerce that the claimant  
14 may claim tax benefits under s. 560.795 (3) (a) 4. or is certified under s. 560.795 (5).

15 2. A statement from the department of commerce verifying the purchase price  
16 of the investment and verifying that the investment fulfills the requirements under  
17 par. (b).

18 (g) In calculating the credit under par. (b) a claimant shall reduce the amount  
19 expended to acquire property by a percentage equal to the percentage of the area of  
20 the real property not used for the purposes for which the claimant is certified and  
21 shall reduce the amount expended for other purposes by the amount expended on the  
22 part of the property not used for the purposes for which the claimant is certified.

23 (h) The carry-over provisions of s. 71.28 (4) (e) and (f) as they relate to the credit  
24 under s. 71.28 (4) relate to the credit under this subsection.

1 (i) Partnerships, limited liability companies, and tax-option corporations may  
2 not claim the credit under this subsection, but the eligibility for, and the amount of,  
3 that credit shall be determined on the basis of their economic activity, not that of their  
4 shareholders, partners, or members. The corporation, partnership, or limited  
5 liability company shall compute the amount of credit that may be claimed by each  
6 of its shareholders, partners, or members and provide that information to its  
7 shareholders, partners, or members. Partners, members of limited liability  
8 companies, and shareholders of tax-option corporations may claim the credit based  
9 on the partnership's, company's, or corporation's activities in proportion to their  
10 ownership interest and may offset it against the tax attributable to their income from  
11 the partnership's, company's, or corporation's business operations in the  
12 development zone and against the tax attributable to their income from the  
13 partnership's, company's, or corporation's directly related business operations.

14 (j) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits  
15 becomes ineligible for such tax benefits, or if a person's certification under s. 560.795  
16 (5) is revoked, that person may claim no credits under this subsection for the taxable  
17 year that includes the day on which the person becomes ineligible for tax benefits,  
18 the taxable year that includes the day on which the certification is revoked, or  
19 succeeding taxable years, and that person may carry over no unused credits from  
20 previous years to offset tax under this chapter for the taxable year that includes the  
21 day on which the person becomes ineligible for tax benefits, the taxable year that  
22 includes the day on which the certification is revoked, or succeeding taxable years.

23 (k) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits  
24 or certified under s. 560.795 (5) ceases business operations in the development zone  
25 during any of the taxable years that that zone exists, that person may not carry over

1 to any taxable year following the year during which operations cease any unused  
2 credits from the taxable year during which operations cease or from previous taxable  
3 years.

4 (L) Section 71.28 (4) (g) and (h) as it applies to the credit under s. 71.28 (4)  
5 applies to the credit under this subsection.

6 **\*-0669/1.3\* SECTION 2192.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

7 71.47 (1dx) (a) 5. “Member of a targeted group” means a person under sub. (2dj)  
8 ~~(am) 1,~~ a person who resides in an empowerment zone, or an enterprise community,  
9 that the U.S. government designates, a person who is employed in an unsubsidized  
10 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin  
11 works employment position, a person who is employed in a trial job, as defined in s.  
12 49.141 (1) (n), ~~or~~ a person who is eligible for child care assistance under s. 49.155, a  
13 person who is a vocational rehabilitation referral, an economically disadvantaged  
14 youth, an economically disadvantaged veteran, a supplemental security income  
15 recipient, a general assistance recipient, an economically disadvantaged ex-convict,  
16 a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated  
17 worker, as defined in 29 USC 2801 (9), or a food stamp recipient; if the person has  
18 been certified in the manner under sub. (1dj) (am) 3. by a designated local agency,  
19 as defined in sub. (1dj) (am) 2.

20 **\*-1856/6.5\* SECTION 2193.** 71.47 (3g) of the statutes is created to read:

21 71.47 (3g) TECHNOLOGY ZONES CREDIT. (a) Subject to the limitations under this  
22 subsection and ss. 73.03 (35m), and 560.96, a business that is certified under s.  
23 560.96 (3) may claim as a credit against the taxes imposed under s. 71.43 an amount  
24 equal to the sum of the following, as established under s. 560.96 (3) (c):

1           1. The amount of real and personal property taxes imposed under s. 70.01 that  
2 the business paid in the taxable year.

3           2. The amount of income and franchise taxes imposed under s. 71.43 that the  
4 business paid in the taxable year.

5           3. The amount of sales and use taxes imposed under ss. 77.52, 77.53, and 77.71  
6 that the business paid in the taxable year.

7           (b) The department of revenue shall notify the department of commerce of all  
8 claims under this subsection.

9           (c) Section 71.28 (4) (e), (f), (g), and (h), as it applies to the credit under s. 71.28  
10 (4), applies to the credit under par. (a).

11           (d) Partnerships, limited liability companies, and tax-option corporations may  
12 not claim the credit under this subsection, but the eligibility for, and the amount of,  
13 the credit are based on their payment of amounts under par. (a). A partnership,  
14 limited liability company, or tax-option corporation shall compute the amount of  
15 credit that each of its partners, members, or shareholders may claim and shall  
16 provide that information to each of them. Partners, members of limited liability  
17 companies, and shareholders of tax-option corporations may claim the credit in  
18 proportion to their ownership interest.

19           \*~~0667/5.11~~\* SECTION 2194. 71.49 (1) (emb) of the statutes is created to read:  
20           71.49 (1) (emb) Development zone capital investment credit under s. 71.47  
21 (1dm).

22           \*~~1856/6.6~~\* SECTION 2195. 71.49 (1) (eon) of the statutes is created to read:  
23           71.49 (1) (eon) Technology zones credit under s. 71.47 (3g).

24           \*b0625/3.25\* SECTION 2200c. 71.93 (1) (a) 4. of the statutes is amended to read:

1 71.93 (1) (a) 4. An amount that the department of workforce development may  
2 recover under s. ~~49.125~~ or 49.195 (3) or 49.793, if the department of workforce  
3 development has certified the amount under s. 49.85.

4 **\*b0303/1.2\* SECTION 2200f.** <sup>cm</sup> 71.93 (1) (a) 6. of the statutes is created to read:

5 71.93 (1) (a) 6. An amount owed to the department of military affairs under s.  
6 21.49 (3m) (b).

7 **\*b0677/2.1\* SECTION 2200d.** 72.01 (11m) of the statutes is created to read:

8 72.01 (11m) "Federal credit" means, for deaths occurring before October 1,  
9 2002, the federal estate tax credit in effect on December 31, 2000, and for deaths  
10 occurring after September 30, 2002, the federal estate tax credit in effect on the day  
11 of the decedent's death.

12 **\*b0677/2.1\* SECTION 2200e.** 72.01 (11n) of the statutes is created to read:

13 72.01 (11n) "Federal estate tax" means, for deaths occurring before October 1,  
14 2002, the federal estate tax in effect on December 31, 2000, and for deaths occurring  
15 after September 30, 2002, the federal estate tax in effect on the day of the decedent's  
16 death.

17 **\*b0677/2.1\* SECTION 2200g.** 72.02 of the statutes is amended to read:

18 **72.02 Estate tax imposed.** An estate tax is imposed upon the transfer of all  
19 property that is subject to a federal estate tax and that has a taxable situs in this  
20 state. The tax imposed is equal to the federal credit allowed for state death taxes  
21 against the federal estate tax as finally determined. If only a portion of a decedent's  
22 property has a taxable situs in this state, the tax imposed is the amount obtained by  
23 multiplying the federal credit allowed for state death taxes by a fraction the  
24 numerator of which is the value of the decedent's estate that has a taxable situs in

1 this state and the denominator of which is the total value of the property in the estate  
2 that qualifies for the federal credit allowed for state death taxes.

3 **\*b0677/2.1\* SECTION 2200k.** 72.30 (1) of the statutes is renumbered 72.30 (1)  
4 (a) and amended to read:

5 72.30 (1) (a) If Except as provided in par. (b), if a federal estate tax return is  
6 required, the personal representative, special administrator, trustee, distributee or  
7 other person interested shall prepare the return for the tax under this chapter,  
8 compute the tax due under this chapter and on or before the due date, as extended,  
9 of the federal estate tax return file the return for the tax under this chapter, a copy  
10 of the federal estate tax return and a copy of all documents submitted with the  
11 federal estate tax return.

12 **\*b0677/2.1\* SECTION 2200L.** 72.30 (1) (b) of the statutes is created to read:

13 72.30 (1) (b) For deaths occurring after December 31, 2001, and before October  
14 1, 2002, the personal representative, special administrator, trustee, distributee, or  
15 other person interested shall prepare the return for the tax under this chapter in the  
16 manner prescribed by the department.

17 **\*-0546/2.7\* SECTION 2201.** 73.01 (4) (a) of the statutes is amended to read:

18 73.01 (4) (a) Subject to the provisions for judicial review contained in s. 73.015,  
19 the commission shall be the final authority for the hearing and determination of all  
20 questions of law and fact arising under sub. (5) and s. 72.86 (4), 1985 stats., and ss.  
21 ~~70.11(21)~~, 70.38 (4) (a), 70.397, 70.64, and 70.995 (8), s. 76.38 (12) (a), 1993 stats.,  
22 ss. 76.39 (4) (c), 76.48 (6), 76.91, 77.26 (3), 77.59 (6) (b), 78.01, 78.22, 78.40, 78.555,  
23 139.02, 139.03, 139.06, 139.31, 139.315, 139.33, 139.76, 139.78, 341.405, and 341.45,  
24 subch. XIV of ch. 71, and subch. VII of ch. 77. Whenever with respect to a pending  
25 appeal there is filed with the commission a stipulation signed by the department of



1 revenue and the adverse party, under s. 73.03 (25), or the department of  
2 transportation and the adverse party agreeing to an affirmance, modification, or  
3 reversal of the department of revenue's or department of transportation's position  
4 with respect to some or all of the issues raised in the appeal, the commission shall  
5 enter an order affirming or modifying in whole or in part, or canceling the assessment  
6 appealed from, or allowing in whole or in part or denying the petitioner's refund  
7 claim, as the case may be, pursuant to and in accordance with the stipulation filed.  
8 No responsibility shall devolve upon the commission, respecting the signing of an  
9 order of dismissal as to any pending appeal settled by the department of revenue or  
10 the department of transportation without the approval of the commission.

11 **\*-0546/2.8\* SECTION 2202.** 73.01 (5) (a) of the statutes is amended to read:

12 73.01 (5) (a) Any person who is aggrieved by a determination of the state board  
13 of assessors under s. 70.995 (8) ~~or by the department of revenue under s. 70.11 (21)~~  
14 or who has filed a petition for redetermination with the department of revenue and  
15 who is aggrieved by the redetermination of the department of revenue may, within  
16 60 days of the determination of the state board of assessors or of the department of  
17 revenue or, in all other cases, within 60 days after the redetermination but not  
18 thereafter, file with the clerk of the commission a petition for review of the action of  
19 the department of revenue and the number of copies of the petition required by rule  
20 adopted by the commission. Any person who is aggrieved by a determination of the  
21 department of transportation under s. 341.405 or 341.45 may, within 30 days after  
22 the determination of the department of transportation, file with the clerk of the  
23 commission a petition for review of the action of the department of transportation  
24 and the number of copies of the petition required by rule adopted by the commission.  
25 If a municipality appeals, its appeal shall set forth that the appeal has been

1 authorized by an order or resolution of its governing body and the appeal shall be  
2 verified by a member of that governing body as pleadings in courts of record are  
3 verified. The clerk of the commission shall transmit one copy to the department of  
4 revenue, or to the department of transportation, and to each party. In the case of  
5 appeals from manufacturing property assessments, the person assessed shall be a  
6 party to a proceeding initiated by a municipality. At the time of filing the petition,  
7 the petitioner shall pay to the commission a \$25 filing fee. The commission shall  
8 deposit the fee in the general fund. Within 30 days after such transmission the  
9 department of revenue, except for petitions objecting to manufacturing property  
10 assessments, or the department of transportation, shall file with the clerk of the  
11 commission an original and the number of copies of an answer to the petition  
12 required by rule adopted by the commission and shall serve one copy on the petitioner  
13 or the petitioner's attorney or agent. Within 30 days after service of the answer, the  
14 petitioner may file and serve a reply in the same manner as the petition is filed. Any  
15 person entitled to be heard by the commission under s. 76.38 (12) (a), 1993 stats., or  
16 s. 76.39 (4) (c), 76.48, or 76.91 may file a petition with the commission within the time  
17 and in the manner provided for the filing of petitions in income or franchise tax cases.  
18 Such papers may be served as a circuit court summons is served or by certified mail.  
19 For the purposes of this subsection, a petition for review is considered timely filed  
20 if mailed by certified mail in a properly addressed envelope, with postage duly  
21 prepaid, which envelope is postmarked before midnight of the last day for filing.

22 \***-0667/5.12\*** SECTION 2203. 73.03 (35) of the statutes is amended to read:

23 73.03 (35) To deny a portion of a credit claimed under s. 71.07 (2dd), (2de), (2di),  
24 (2dj), (2dL), (2dm), (2dr), (2ds) or (2dx), 71.28 (1dd), (1de), (1di), (1dj), (1dm), (1dL),  
25 (1ds), (1dx), or (4) (am) or 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), or

1 (4) (am) if granting the full amount claimed would violate a requirement under s.  
2 560.785 or would bring the total of the credits granted to that claimant under all of  
3 those subsections over the limit for that claimant under s. 560.768, 560.795 (2) (b),  
4 or 560.797 (5) (b).

5 **\*-1856/6.7\* SECTION 2204.** 73.03 (35m) of the statutes is created to read:

6 73.03 (35m) To deny a portion of a credit claimed under s. 71.07 (3g), 71.28 (3g),  
7 or 71.47 (3g), if granting the full amount claimed would violate a requirement under  
8 s. 560.96 or would bring the total of the credits claimed under ss. 71.07 (3g), 71.28  
9 (3g), and 71.47 (3g) over the limit for all claimants under s. 560.96 (2).

10 **\*b0494/1.1\* SECTION 2204m.** 73.03 (46) of the statutes is repealed.

11 **\*-0937/1.1\* SECTION 2205.** 73.03 (52m) of the statutes is created to read:

12 73.03 (52m) To enter into agreements with other states that provide for  
13 offsetting state tax refunds against tax obligations of other states and offsetting tax  
14 refunds of other states against state tax obligations, if the agreements provide that  
15 setoffs under ss. 71.93 and 71.935 occur before the setoffs under those agreements.

16 **\*b0686/1.1\* SECTION 2205m.** 73.03 (56) of the statutes is created to read:

17 73.03 (56) To work with the Internal Revenue Service and the University of  
18 Wisconsin—Extension to undertake a program that accomplishes all of the following:

19 (a) Promotes volunteering among the state's financial and legal professionals  
20 in the volunteer income tax assistance program.

21 (b) Provides training for the volunteers.

22 (c) Assists in the creation of mobile sites that offer assistance to individuals who  
23 are eligible to participate in the volunteer income tax assistance program and who  
24 reside in rural and underserved areas.

25 **\*-2057/1.1\* SECTION 2207.** 73.0305 of the statutes is amended to read:

1           **73.0305 Revenue limits and intradistrict transfer aid calculations.** The  
2 department of revenue shall annually determine and certify to the state  
3 superintendent of public instruction, no later than the 4th Monday in June, the  
4 allowable rate of increase under ~~s. 121.85 (6) (a)~~ and subch. VII of ch. 121. The  
5 allowable rate of increase is the percentage change in the consumer price index for  
6 all urban consumers, U.S. city average, between the preceding March 31 and the 2nd  
7 preceding March 31, as computed by the federal department of labor.

8           \*~~0401/1.3~~\* **SECTION 2208.** 74.23 (1) (a) 2. of the statutes is amended to read:

9           74.23 (1) (a) 2. Pay to the proper treasurer all collections of special  
10 assessments, special charges and special taxes, except that occupational taxes under  
11 ss. 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land  
12 taxes under ch. 77 shall be settled for under s. 74.25 (1) (a) 1. to 8.

13           \*~~0543/3.16~~\* **SECTION 2209.** 74.23 (1) (a) 5. of the statutes is created to read:

14           74.23 (1) (a) 5. Pay to each taxing jurisdiction within the district its  
15 proportionate share of the taxes and interest under s. 70.995 (12) (a).

16           \*~~0401/1.4~~\* **SECTION 2211.** 74.25 (1) (a) 2. of the statutes is amended to read:

17           74.25 (1) (a) 2. Pay to the proper treasurer all collections of special  
18 assessments, special charges and special taxes, except that occupational taxes under  
19 ss. 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land  
20 taxes under ch. 77 shall be settled for under subs. 5. to 8.

21           \*~~0401/1.5~~\* **SECTION 2212.** 74.25 (1) (a) 3. of the statutes is amended to read:

22           74.25 (1) (a) 3. Retain all collections of special assessments, special charges and  
23 special taxes due to the taxation district, except that occupational taxes under ss.  
24 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land taxes  
25 under ch. 77 shall be settled for under subs. 5. to 8.