

1 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal  
2 Internal Revenue Code as amended to December 31, 1997, excluding sections 103,  
3 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
4 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
5 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36,  
6 P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.  
7 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding  
8 sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding  
9 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
10 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337,  
11 909, and 910 of P.L. 108-357, and as indirectly affected by P.L. 99-514, P.L. 100-203,  
12 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280,  
13 P.L. 101-508, P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.  
14 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150  
15 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.  
16 103-465, P.L. 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202  
17 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
18 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
19 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
20 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
21 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109  
22 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of  
23 P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
24 910 of P.L. 108-357. The Internal Revenue Code applies for Wisconsin purposes at  
25 the same time as for federal purposes. Amendments to the federal Internal Revenue

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## SECTION 1266

Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 1267.** 71.01 (6) (n) of the statutes is amended to read:

71.01 (6) (n) For taxable years that begin after December 31, 1998, and before January 1, 2000, for natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,

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## SECTION 1267

1 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
2 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
3 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L.  
4 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
5 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
6 of P.L. 108-357, and as indirectly affected 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. 101-280, P.L. 101-508,  
8 P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
9 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
10 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
11 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
12 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.  
13 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.  
14 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
15 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
16 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding  
17 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
18 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337,  
19 909, and 910 of P.L. 108-357. The Internal Revenue Code applies for Wisconsin  
20 purposes at the same time as for federal purposes. Amendments to the federal  
21 Internal Revenue Code enacted after December 31, 1998, do not apply to this  
22 paragraph with respect to taxable years beginning after December 31, 1998, and  
23 before January 1, 2000, except that changes to the Internal Revenue Code made by  
24 P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and  
25 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134,

**ENGROSSED ASSEMBLY BILL 100****SECTION 1267**

1 P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L.  
2 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
3 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
4 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes  
5 that indirectly affect the provisions applicable to this subchapter made by P.L.  
6 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
7 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
8 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L.  
9 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
10 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
11 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, apply for  
12 Wisconsin purposes at the same time as for federal purposes.

13 **SECTION 1268.** 71.01 (6) (o) of the statutes is amended to read:

14 71.01 (6) (o) For taxable years that begin after December 31, 1999, and before  
15 January 1, 2003, for natural persons and fiduciaries, except fiduciaries of nuclear  
16 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal  
17 Internal Revenue Code as amended to December 31, 1999, excluding sections 103,  
18 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
19 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
20 104-188, and as amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and  
21 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16,  
22 P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and  
23 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L.  
24 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
25 section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307,

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## SECTION 1268

1 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201,  
2 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected by P.L. 99-514,  
3 P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239,  
4 P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L. 102-227, excluding sections 103, 104,  
5 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
6 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
7 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-117, P.L. 104-188, excluding sections  
8 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
9 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
10 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
11 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
12 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of  
13 P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L.  
14 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
15 section 109 of P.L. 108-121, P.L. 108-218, 108-311, excluding sections 306, 307, 308,  
16 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244,  
17 336, 337, 909, and 910 of P.L. 108-357. The Internal Revenue Code applies for  
18 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
19 federal Internal Revenue Code enacted after December 31, 1999, do not apply to this  
20 paragraph with respect to taxable years beginning after December 31, 1999, and  
21 before January 1, 2003, except that changes to the Internal Revenue Code made by  
22 P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.  
23 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116,  
24 P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L.  
25 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27, excluding

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1 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.  
2 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
3 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
4 and 910 of P.L. 108-357, and changes that indirectly affect the provisions applicable  
5 to this subchapter made by P.L. 106-230, P.L. 106-554, excluding sections 162 and  
6 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16,  
7 P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and  
8 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L.  
9 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
10 section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307,  
11 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201,  
12 244, 336, 337, 909, and 910 of P.L. 108-357, apply for Wisconsin purposes at the same  
13 time as for federal purposes.

14 **SECTION 1269.** 71.01 (6) (p) of the statutes is amended to read:

15 **71.01 (6) (p)** For taxable years that begin after December 31, 2002, and before  
16 January 1, 2004, for natural persons and fiduciaries, except fiduciaries of nuclear  
17 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal  
18 Internal Revenue Code as amended to December 31, 2002, excluding sections 103,  
19 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
20 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
21 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section  
22 431 of P.L. 107-16, and section 101 of P.L. 107-147, and as amended by P.L. 108-27,  
23 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
24 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
25 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403

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## SECTION 1269

1 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
2 910 of P.L. 108-357, and P.L. 108-375, and as indirectly affected by P.L. 99-514, P.L.  
3 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
4 101-280, P.L. 101-508, P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and  
5 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
6 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
7 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-117, P.L. 104-188, excluding sections  
8 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
9 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
10 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
11 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
12 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101 of P.L.  
13 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27,  
14 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
15 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
16 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
17 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
18 910 of P.L. 108-357, and P.L. 108-375. The Internal Revenue Code applies for  
19 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
20 federal Internal Revenue Code enacted after December 31, 2002, do not apply to this  
21 paragraph with respect to taxable years beginning after December 31, 2002, and  
22 before January 1, 2004, except that changes to the Internal Revenue Code made by  
23 P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,  
24 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
25 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,

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1 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336,  
2 337, 909, and 910 of P.L. 108-357, and P.L. 108-375, and changes that indirectly  
3 affect the provisions applicable to this subchapter made by P.L. 108-27, excluding  
4 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.  
5 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.  
6 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
7 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
8 P.L. 108-357, and P.L. 108-375, apply for Wisconsin purposes at the same time as  
9 for federal purposes.

10 **SECTION 1270.** 71.01 (6) (q) of the statutes is created to read:

11 71.01 (6) (q) For taxable years that begin after December 31, 2003, and before  
12 January 1, 2005, for natural persons and fiduciaries, except fiduciaries of nuclear  
13 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal  
14 Internal Revenue Code as amended to December 31, 2003, excluding sections 103,  
15 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
16 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
17 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section  
18 431 of P.L. 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202 of P.L.  
19 108-27, section 109 of P.L. 108-121, and section 1201 of P.L. 108-173, and as  
20 amended by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307,  
21 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244,  
22 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, and as  
23 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
24 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L.  
25 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.



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## SECTION 1270

1 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
2 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.  
3 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
4 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
5 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
6 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
7 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
8 107-147, excluding section 101 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
9 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
10 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding  
11 section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding  
12 sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding  
13 sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L.  
14 108-476. The Internal Revenue Code applies for Wisconsin purposes at the same  
15 time as for federal purposes. Amendments to the federal Internal Revenue Code  
16 enacted after December 31, 2003, do not apply to this paragraph with respect to  
17 taxable years beginning after December 31, 2003, and before January 1, 2005,  
18 except that changes to the Internal Revenue Code made by P.L. 108-203, P.L.  
19 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
20 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
21 P.L. 108-357, P.L. 108-375, and P.L. 108-476, and changes that indirectly affect the  
22 provisions applicable to this subchapter made by P.L. 108-203, P.L. 108-218, P.L.  
23 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L.  
24 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,

**ENGROSSED ASSEMBLY BILL 100****SECTION 1270**

1 P.L. 108-375, and P.L. 108-476, apply for Wisconsin purposes at the same time as  
2 for federal purposes.

3 **SECTION 1271.** 71.01 (6) (r) of the statutes is created to read:

4 71.01 (6) (r) For taxable years that begin after December 31, 2004, for natural  
5 persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or  
6 reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code  
7 as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L.  
8 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
9 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,  
10 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section  
11 431 of P.L. 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202 of P.L.  
12 108-27, section 1201 of P.L. 108-173, sections 306, 308, 401, and 403 (a) of P.L.  
13 108-311, and sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as  
14 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
15 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L.  
16 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
17 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
18 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.  
19 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
20 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
21 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
22 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
23 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
24 107-147, excluding section 101 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
25 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1271

1 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
2 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 401, and 403 (a)  
3 of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
4 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476. The Internal Revenue Code  
5 applies for Wisconsin purposes at the same time as for federal purposes.  
6 Amendments to the federal Internal Revenue Code enacted after December 31, 2004,  
7 do not apply to this paragraph with respect to taxable years beginning after  
8 December 31, 2004.

9 **SECTION 1272.** 71.01 (8g) of the statutes is amended to read:

10 71.01 (8g) "Member" does not include a member of a limited liability company  
11 treated as a corporation under s. 71.22 (4) (1k).

12 **SECTION 1273.** 71.01 (8m) of the statutes is amended to read:

13 71.01 (8m) "Partner" does not include a partner of a publicly traded  
14 partnership treated as a corporation under s. 71.22 (4) (1k).

15 **SECTION 1274.** 71.01 (10g) of the statutes is created to read:

16 71.01 (10g) For purposes of s. 71.04 (7) (df) and (dh), "state" means a state of  
17 the United States, the District of Columbia, the commonwealth of Puerto Rico, or any  
18 territory or possession of the United States, unless the context requires that "state"  
19 means only the state of Wisconsin.

20 **SECTION 1275.** 71.03 (1) of the statutes is amended to read:

21 71.03 (1) DEFINITION. In this section, "gross income" means all income, from  
22 whatever source derived and in whatever form realized, whether in money, property  
23 or services, which is not exempt from Wisconsin income taxes. "Gross income"  
24 includes, but is not limited to, the following items: compensation for services,  
25 including salaries, wages and fees, commissions and similar items; gross income

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1275

1 derived from business; interest; rents; royalties; dividends; alimony and separate  
2 maintenance payments; annuities; income from life insurance and endowment  
3 contracts; pensions; income from discharge of indebtedness; distributive shares of  
4 partnership gross income except distributive shares of the income of publicly traded  
5 partnerships treated as corporations under s. 71.22 (1) (1k); distributive shares of  
6 limited liability company gross income except distributive shares of the income of  
7 limited liability companies treated as corporations under s. 71.22 (1) (1k); income in  
8 respect of a decedent; and income from an interest in an estate or trust. "Gross  
9 income" from a business or farm consists of the total gross receipts without reduction  
10 for cost of goods sold, expenses or any other amounts. The gross rental amounts  
11 received from rental properties are included in gross income without reduction for  
12 expenses or any other amounts. "Gross income" from the sale of securities, property  
13 or other assets consists of the gross selling price without reduction for the cost of the  
14 assets, expenses of sale or any other amounts. "Gross income" from an annuity,  
15 retirement plan or profit sharing plan consists of the gross amount received without  
16 reduction for the employee's contribution to the annuity or plan.

17 **SECTION 1276m.** 71.04 (7) (d) of the statutes is amended to read:

18 **71.04 (7) (d) Sales** Except as provided in pars. (df) and (dh), sales, other than  
19 sales of tangible personal property, are in this state if the income-producing activity  
20 is performed in this state. If the income-producing activity is performed both in and  
21 outside this state the sales shall be divided between those states having jurisdiction  
22 to tax such business in proportion to the direct costs of performance incurred in each  
23 such state in rendering this service. ~~Services performed in states which do not have~~  
24 ~~jurisdiction to tax the business shall be deemed to have been performed in the state~~  
25 ~~to which compensation is allocated by s. 71.04 (6), 2001 stats.~~

**ENGROSSED ASSEMBLY BILL 100****SECTION 1279**

1 **SECTION 1279.** 71.04 (7) (df) of the statutes is created to read:

2 71.04 (7) (df) 1. Gross receipts from the use of computer software are in this  
3 state if the purchaser or licensee uses the computer software at a location in this  
4 state.

5 2. Computer software is used at a location in this state if the purchaser or  
6 licensee uses the computer software in the regular course of business operations in  
7 this state, for personal use in this state, or if the purchaser or licensee is an individual  
8 whose domicile is in this state. If the purchaser or licensee uses the computer  
9 software in more than one state, the gross receipts shall be divided among those  
10 states having jurisdiction to impose an income tax on the taxpayer in proportion to  
11 the use of the computer software in those states. To determine computer software  
12 use in this state, the department may consider the number of users in each state  
13 where the computer software is used, the number of site licenses or workstations in  
14 this state, and any other factors that reflect the use of computer software in this  
15 state.

16 3. If the taxpayer is not subject to income tax in the state in which the gross  
17 receipts are considered received under this paragraph, but the taxpayer's  
18 commercial domicile is in this state, 50 percent of those gross receipts shall be  
19 included in the numerator of the sales factor.

20 **SECTION 1281.** 71.04 (7) (dh) of the statutes is created to read:

21 71.04 (7) (dh) 1. Gross receipts from services are in this state if the purchaser  
22 of the service received the benefit of the service in this state.

23 2. The benefit of a service is received in this state if any of the following applies:

24 a. The service relates to real property that is located in this state.

**ENGROSSED ASSEMBLY BILL 100****SECTION 1281**

1           b. The service relates to tangible personal property that is located in this state  
2           at the time that the service is received or tangible personal property that is delivered  
3           directly or indirectly to customers in this state.

4           c. The service is provided to an individual who is physically present in this state  
5           at the time that the service is received.

6           d. The service is provided to a person engaged in a trade or business in this state  
7           and relates to that person's business in this state.

8           3. If the purchaser of a service receives the benefit of a service in more than one  
9           state, the gross receipts from the performance of the service are included in the  
10          numerator of the sales factor according to the portion of the service received in this  
11          state.

12          4. If the taxpayer is not subject to income tax in the state in which the benefit  
13          of the service is received, the benefit of the service is received in this state to the  
14          extent that the taxpayer's employees or representatives performed services from a  
15          location in this state. Fifty percent of the taxpayer's receipts that are considered  
16          received in this state under this paragraph shall be included in the numerator of the  
17          sales factor.

18          **SECTION 1286c.** 71.05 (1) (bm) of the statutes is created to read:

19           71.05 (1) (bm) *Health Insurance Risk-Sharing Plan.* Income of the  
20          organization administering the Health Insurance Risk-Sharing Plan under ch. 149.

21          **SECTION 1286e.** 71.05 (6) (b) 20. (intro.) of the statutes is amended to read:

22           71.05 (6) (b) 20. (intro.) For taxable years beginning on or after January 1,  
23          1995, and before January 1, 2006, an amount paid by a person who is the employee  
24          of another person if the person's employer pays no amount of money toward the

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1286e

1 person's medical care insurance, for medical care insurance for the person, his or her  
2 spouse and the person's dependents, calculated as follows:

3 **SECTION 1286gm.** 71.05 (6) (b) 21. of the statutes is renumbered 71.05 (6) (b)  
4 21. a. and amended to read:

5 71.05 (6) (b) 21. a. The For taxable years beginning before January 1, 2007, the  
6 difference between the amount of social security benefits included in federal  
7 adjusted gross income for the current year and the amount calculated under section  
8 86 of the internal revenue code Internal Revenue Code as that section existed on  
9 December 31, 1992.

10 **SECTION 1286hm.** 71.05 (6) (b) 21. b. of the statutes is created to read:

11 71.05 (6) (b) 21. b. For taxable years beginning after December 31, 2006, and  
12 before January 1, 2008, the difference between the amount of social security benefits  
13 included in federal adjusted gross income for the current year and 70 percent of the  
14 amount calculated under section 86 of the Internal Revenue Code as that section  
15 existed on December 31, 1992.

16 **SECTION 1286im.** 71.05 (6) (b) 21. c. of the statutes is created to read:

17 71.05 (6) (b) 21. c. For taxable years beginning after December 31, 2007 and  
18 before January 1, 2009, the difference between the amount of social security benefits  
19 included in federal adjusted gross income for the current year and 40 percent of the  
20 amount calculated under section 86 of the Internal Revenue Code as that section  
21 existed on December 31, 1992.

22 **SECTION 1286jm.** 71.05 (6) (b) 21. d. of the statutes is created to read:

23 71.05 (6) (b) 21. d. For taxable years beginning after December 31, 2008, the  
24 amount of social security benefits included in federal adjusted gross income under  
25 section 86 of the Internal Revenue Code.

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## ENGROSSED ASSEMBLY BILL 100

## SECTION 1287

1       **SECTION 1287.** 71.05 (6) (b) 28. (intro.) of the statutes is amended to read:

2           71.05 (6) (b) 28. (intro.) An amount paid by a claimant for tuition expenses for  
3       a student who is the claimant or who is the claimant's child and the claimant's  
4       dependent who is claimed under section 151 (c) of the Internal Revenue Code, to  
5       attend any university, college, technical college or a school approved under s. 45.54  
6       38.50, that is located in Wisconsin or to attend a public vocational school or public  
7       institution of higher education in Minnesota under the Minnesota-Wisconsin  
8       reciprocity agreement under s. 39.47, calculated as follows:

9           **SECTION 1288.** 71.05 (6) (b) 28. a. of the statutes is amended to read:

10          71.05 (6) (b) 28. a. An amount equal to not more than \$3,000 twice the average  
11       amount charged by the board of regents of the University of Wisconsin System at  
12       4-year institutions for resident undergraduate academic fees for the most recent fall  
13       semester, as determined by the board of regents by September 1 of that semester, per  
14       student for each year to which the claim relates.

15          **SECTION 1288e.** 71.05 (6) (b) 35. of the statutes is created to read:

16          71.05 (6) (b) 35. For taxable years beginning after December 31, 2005, an  
17       amount paid by an individual who is the employee of another person if the  
18       individual's employer pays no amount of money toward the individual's medical care  
19       insurance, for medical care insurance for the individual, his or her spouse, and the  
20       individual's dependents, calculated as follows:

21           a. One hundred percent of the amount paid by the individual for medical care  
22       insurance. In this subdivision, "medical care insurance" means a medical care  
23       insurance policy that covers the individual, his or her spouse, and the individual's  
24       dependents and provides surgical, medical, hospital, major medical, or other health  
25       service coverage, and includes payments made for medical care benefits under a



## ENGROSSED ASSEMBLY BILL 100

## SECTION 1288e

1 self-insured plan, but "medical care insurance" does not include hospital indemnity  
2 policies or policies with ancillary benefits such as accident benefits or benefits for loss  
3 of income resulting from a total or partial inability to work because of illness,  
4 sickness, or injury.

5 b. From the amount calculated under subd. 35. a., subtract the amounts  
6 deducted from gross income for medical care insurance in the calculation of federal  
7 adjusted gross income.

8 c. For an individual who is a nonresident or part-year resident of this state,  
9 multiply the amount calculated under subd. 35. a. or b., by a fraction the numerator  
10 of which is the individual's wages, salary, tips, unearned income, and net earnings  
11 from a trade or business that are taxable by this state and the denominator of which  
12 is the individual's total wages, salary, tips, unearned income, and net earnings from  
13 a trade or business. In this subd. 35. c., for married persons filing separately "wages,  
14 salary, tips, unearned income, and net earnings from a trade or business" means the  
15 separate wages, salary, tips, unearned income, and net earnings from a trade or  
16 business of each spouse, and for married persons filing jointly "wages, salary, tips,  
17 unearned income, and net earnings from a trade or business" means the total wages,  
18 salary, tips, unearned income, and net earnings from a trade or business of both  
19 spouses.

20 d. Reduce the amount calculated under subd. 35. a., b., or c. to the individual's  
21 aggregate wages, salary, tips, unearned income, and net earnings from a trade or  
22 business that are taxable by this state.

23 **SECTION 1288f.** 71.05 (6) (b) 36. of the statutes is created to read:

24 71.05 (6) (b) 36. For taxable years beginning after December 31, 2006, and  
25 before January 1, 2008, an amount paid by an individual, other than a person to

**ENGROSSED ASSEMBLY BILL 100****SECTION 1288f**

1 whom subd. 19. applies, who has no employer and no self-employment income, for  
2 medical care insurance for the individual, his or her spouse, and the individual's  
3 dependents, calculated as follows:

4 a. Thirty-three and four-tenths percent of the amount paid by the individual  
5 for medical care insurance. In this subdivision, "medical care insurance" means a  
6 medical care insurance policy that covers the individual, his or her spouse, and the  
7 individual's dependents and provides surgical, medical, hospital, major medical, or  
8 other health service coverage, and includes payments made for medical care benefits  
9 under a self-insured plan, but "medical care insurance" does not include hospital  
10 indemnity policies or policies with ancillary benefits such as accident benefits or  
11 benefits for loss of income resulting from a total or partial inability to work because  
12 of illness, sickness, or injury.

13 b. From the amount calculated under subd. 36. a., subtract the amounts  
14 deducted from gross income for medical care insurance in the calculation of federal  
15 adjusted gross income.

16 c. For an individual who is a nonresident or part-year resident of this state,  
17 multiply the amount calculated under subd. 36. a. or b., by a fraction the numerator  
18 of which is the individual's wages, salary, tips, unearned income, and net earnings  
19 from a trade or business that are taxable by this state and the denominator of which  
20 is the individual's total wages, salary, tips, unearned income, and net earnings from  
21 a trade or business. In this subd. 36. c., for married persons filing separately "wages,  
22 salary, tips, unearned income, and net earnings from a trade or business" means the  
23 separate wages, salary, tips, unearned income, and net earnings from a trade or  
24 business of each spouse, and for married persons filing jointly "wages, salary, tips,  
25 unearned income, and net earnings from a trade or business" means the total wages,

ENGROSSED ASSEMBLY BILL 100

SECTION 1288f

1 salary, tips, unearned income, and net earnings from a trade or business of both  
2 spouses.

3 d. Reduce the amount calculated under subd. 36. a., b., or c. to the individual's  
4 aggregate wages, salary, tips, unearned income, and net earnings from a trade or  
5 business that are taxable by this state.

6 **SECTION 1288g.** 71.05 (6) (b) 37. of the statutes is created to read:

7 71.05 (6) (b) 37. For taxable years beginning after December 31, 2007, and  
8 before January 1, 2009, an amount paid by an individual, other than a person to  
9 whom subd. 19. applies, who has no employer and no self-employment income, for  
10 medical care insurance for the individual, his or her spouse, and the individual's  
11 dependents, calculated as follows:

12 a. Sixty-six and seven-tenths percent of the amount paid by the individual for  
13 medical care insurance. In this subdivision, "medical care insurance" means a  
14 medical care insurance policy that covers the individual, his or her spouse, and the  
15 individual's dependents and provides surgical, medical, hospital, major medical, or  
16 other health service coverage, and includes payments made for medical care benefits  
17 under a self-insured plan, but "medical care insurance" does not include hospital  
18 indemnity policies or policies with ancillary benefits such as accident benefits or  
19 benefits for loss of income resulting from a total or partial inability to work because  
20 of illness, sickness, or injury.

21 b. From the amount calculated under subd. 37. a., subtract the amounts  
22 deducted from gross income for medical care insurance in the calculation of federal  
23 adjusted gross income.

24 c. For an individual who is a nonresident or part-year resident of this state,  
25 multiply the amount calculated under subd. 37. a. or b., by a fraction the numerator

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1288g

1 of which is the individual's wages, salary, tips, unearned income, and net earnings  
2 from a trade or business that are taxable by this state and the denominator of which  
3 is the individual's total wages, salary, tips, unearned income, and net earnings from  
4 a trade or business. In this subd. 37. c., for married persons filing separately "wages,  
5 salary, tips, unearned income, and net earnings from a trade or business" means the  
6 separate wages, salary, tips, unearned income, and net earnings from a trade or  
7 business of each spouse, and for married persons filing jointly "wages, salary, tips,  
8 unearned income, and net earnings from a trade or business" means the total wages,  
9 salary, tips, unearned income, and net earnings from a trade or business of both  
10 spouses.

11 d. Reduce the amount calculated under subd. 37. a., b., or c. to the individual's  
12 aggregate wages, salary, tips, unearned income, and net earnings from a trade or  
13 business that are taxable by this state.

14 **SECTION 1288h.** 71.05 (6) (b) 38. of the statutes is created to read:

15 **71.05 (6) (b) 38.** For taxable years beginning after December 31, 2008, an  
16 amount paid by an individual, other than a person to whom subd. 19. applies, who  
17 has no employer and no self-employment income, for medical care insurance for the  
18 individual, his or her spouse, and the individual's dependents, calculated as follows:  
19 a. One hundred percent of the amount paid by the individual for medical care  
20 insurance. In this subdivision, "medical care insurance" means a medical care  
21 insurance policy that covers the individual, his or her spouse, and the individual's  
22 dependents and provides surgical, medical, hospital, major medical, or other health  
23 service coverage, and includes payments made for medical care benefits under a  
24 self-insured plan, but "medical care insurance" does not include hospital indemnity  
25 policies or policies with ancillary benefits such as accident benefits or benefits for loss

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## SECTION 1288h

1 of income resulting from a total or partial inability to work because of illness,  
2 sickness, or injury.

3 b. From the amount calculated under subd. 38. a., subtract the amounts  
4 deducted from gross income for medical care insurance in the calculation of federal  
5 adjusted gross income.

6 c. For an individual who is a nonresident or part-year resident of this state,  
7 multiply the amount calculated under subd. 38. a. or b., by a fraction the numerator  
8 of which is the individual's wages, salary, tips, unearned income, and net earnings  
9 from a trade or business that are taxable by this state and the denominator of which  
10 is the individual's total wages, salary, tips, unearned income, and net earnings from  
11 a trade or business. In this subd. 38. c., for married persons filing separately "wages,  
12 salary, tips, unearned income, and net earnings from a trade or business" means the  
13 separate wages, salary, tips, unearned income, and net earnings from a trade or  
14 business of each spouse, and for married persons filing jointly "wages, salary, tips,  
15 unearned income, and net earnings from a trade or business" means the total wages,  
16 salary, tips, unearned income, and net earnings from a trade or business of both  
17 spouses.

18 d. Reduce the amount calculated under subd. 38. a., b., or c. to the individual's  
19 aggregate wages, salary, tips, unearned income, and net earnings from a trade or  
20 business that are taxable by this state.

21 **SECTION 1289.** 71.05 (22) (f) 4. a. of the statutes is amended to read:

22 71.05 (22) (f) 4. a. For taxable years beginning after December 31, 1997, in the  
23 case of a taxpayer with respect to whom ~~a deduction~~ an exemption under s. 71.07 (8)  
24 sub. (23) (b) 2. is allowable to another person, the Wisconsin standard deduction shall

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1289

1 be the lesser of the amount under subd. 4. b. or one of the amounts calculated under  
2 subd. 4. c., whichever amount under subd. 4. c. is greater.

3 **SECTION 1290.** 71.05 (22) (g) of the statutes is amended to read:

4 71.05 (22) (g) *Nonresidents.* With respect to nonresident natural persons  
5 deriving income from property located, business transacted or personal or  
6 professional services performed in this state, including natural persons changing  
7 their domicile into or from this state, the Wisconsin standard deduction and itemized  
8 deductions are based on federal adjusted gross income, and as provided in par. (f) 4.,  
9 and are limited by such fraction of that amount as Wisconsin adjusted gross income  
10 is of federal adjusted gross income. In this paragraph, for married persons filing  
11 separately "adjusted gross income" means the separate adjusted gross income of  
12 each spouse, and for married persons filing jointly "adjusted gross income" means the  
13 total adjusted gross income of both spouses.

14 **SECTION 1291.** 71.05 (22) (h) of the statutes is amended to read:

15 71.05 (22) (h) *Part-year residents.* If a person and that person's spouse are not  
16 both domiciled in this state during the entire taxable year, the Wisconsin standard  
17 deduction or itemized deduction on a joint return is determined by multiplying the  
18 Wisconsin standard deduction or itemized deduction, each calculated on the basis of  
19 federal adjusted gross income, and as provided in par. (f) 4., by a fraction the  
20 numerator of which is their joint Wisconsin adjusted gross income and the  
21 denominator of which is their joint federal adjusted gross income. For a married  
22 person who is not domiciled in this state for the entire taxable year and who files a  
23 separate return, the Wisconsin standard deduction and itemized deduction are  
24 determined under par. (g).

25 **SECTION 1293.** 71.07 (2di) (b) 1. of the statutes is repealed.

1           **SECTION 1294.** 71.07 (2dL) (c) 1. of the statutes is repealed.

2           **SECTION 1295.** 71.07 (2dL) (c) 2. of the statutes is renumbered 71.07 (2dL) (c).

3           **SECTION 1296.** 71.07 (2dL) (d) of the statutes is amended to read:

4           71.07 (2dL) (d) Except as provided in par. (c) 2., the carry-over provisions of  
5           s. 71.28 (4) (e) and (f) as they relate to the credit under s. 71.28 (4) relate to the credit  
6           under this subsection and apply as if the development zone continued to exist.

7           **SECTION 1297.** 71.07 (2dm) (hm) of the statutes is amended to read:

8           71.07 (2dm) (hm) ~~Credits claimed~~ A claimant may claim the credit under this  
9           subsection, including any credits carried over, ~~may be offset only~~ against the amount  
10          of the tax otherwise due under this subchapter ~~attributable to income from the~~  
11          ~~business operations of the claimant in the development zone; except that a claimant~~  
12          ~~in a development zone under s. 560.795 (1) (e) may offset credits, including any~~  
13          ~~credits carried over, against the amount of the tax otherwise due under this~~  
14          ~~subchapter attributable to all of the claimant's income; and against the tax~~  
15          ~~attributable to income from directly related business operations of the claimant.~~

16          **SECTION 1298.** 71.07 (2dr) (a) of the statutes is amended to read:

17          71.07 (2dr) (a) *Credit.* Any person may credit against taxes otherwise due  
18          under this chapter an amount equal to 5% of the amount obtained by subtracting  
19          from the person's qualified research expenses, as defined in section 41 of the internal  
20          revenue code, except that "qualified research expenses" include only expenses  
21          incurred by the claimant in a development zone under subch. VI of ch. 560, except  
22          that a taxpayer may elect the alternative computation under section 41 (c) (4) of the  
23          Internal Revenue Code and that election applies until the department permits its  
24          revocation and except that "qualified research expenses" do not include  
25          compensation used in computing the credit under sub. (2dj) nor research expenses

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1298

1 incurred before the claimant is certified for tax benefits under s. 560.765 (3), the  
2 person's base amount, as defined in section 41 (c) of the internal revenue code, in a  
3 development zone, except that gross receipts used in calculating the base amount  
4 means gross receipts from sales attributable to Wisconsin under s. 71.04 (7) (b) 1. and  
5 2. and, (d), (df), and (dh) and research expenses used in calculating the base amount  
6 include research expenses incurred before the claimant is certified for tax benefits  
7 under s. 560.765 (3), in a development zone, if the claimant submits with the  
8 claimant's return a copy of the claimant's certification for tax benefits under s.  
9 560.765 (3) and a statement from the department of commerce verifying the  
10 claimant's qualified research expenses for research conducted exclusively in a  
11 development zone. The rules under s. 73.03 (35) apply to the credit under this  
12 paragraph. The rules under sub. (2d) (f) and (g), as they apply to the credit under  
13 that subsection, apply to claims under this paragraph. Section 41 (h) of the internal  
14 revenue code does not apply to the credit under this paragraph.

15 **SECTION 1299.** 71.07 (2dx) (a) 5. of the statutes is amended to read:

16 71.07 (2dx) (a) 5. "Member of a targeted group" means a person who resides  
17 ~~in an empowerment zone, or an enterprise community, that the U.S. government~~  
18 ~~designates~~ area designated by the federal government as an economic revitalization  
19 area, a person who is employed in an unsubsidized job but meets the eligibility  
20 requirements under s. 49.145 (2) and (3) for a Wisconsin works Works employment  
21 proposition, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), a  
22 person who is eligible for child care assistance under s. 49.155, a person who is a  
23 vocational rehabilitation referral, an economically disadvantaged youth, an  
24 economically disadvantaged veteran, a supplemental security income recipient, a  
25 general assistance recipient, an economically disadvantaged ex-convict, a qualified



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1 summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as  
2 defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified  
3 in the manner under sub. (2dj) (am) 3. by a designated local agency, as defined in sub.  
4 (2dj) (am) 2.

5 **SECTION 1300.** 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

6 71.07 (2dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and  
7 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person  
8 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3),  
9 560.797 (4) or 560.798 (3), any person may claim as a credit against the taxes imposed  
10 on the person's income from the person's business activities in a development zone  
11 otherwise due under this chapter the following amounts:

12 **SECTION 1305.** 71.07 (3m) (a) 1. b. of the statutes is amended to read:

13 71.07 (3m) (a) 1. b. For partnerships except publicly traded partnerships  
14 treated as corporations under s. 71.22 (1) (1k), or limited liability companies, except  
15 limited liability companies treated as corporations under s. 71.22 (1) (1k), "claimant"  
16 means each individual partner or member.

17 **SECTION 1306.** 71.07 (3n) (title) of the statutes is amended to read:

18 71.07 (3n) (title) DAIRY AND LIVESTOCK FARM INVESTMENT CREDIT.

19 **SECTION 1310b.** 71.07 (3n) (a) 2. (intro.) of the statutes is amended to read:

20 71.07 (3n) (a) 2. (intro.) "Dairy farm modernization or expansion" means the  
21 construction, the improvement, or the acquisition of buildings or facilities, or the  
22 acquisition of equipment, for dairy animal housing, confinement, animal feeding,  
23 milk production, or waste management, including the following, if used exclusively  
24 related to dairy animals and if acquired and placed in service in this state during  
25 taxable years that begin after December 31, 2003, and before January 1, 2010:

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SECTION 1310c

1 SECTION 1310c. 71.07 (3n) (a) 4. of the statutes is created to read:

2 71.07 (3n) (a) 4. "Livestock" means cattle, not including dairy animals; swine;

3 poultry, not including farm-raised game birds or ratites; fish that are raised in

INSA

4 aquaculture facilities; sheep; and goats.

5 SECTION 1310d. 71.07 (3n) (a) 5. of the statutes is created to read:

6 71.07 (3n) (a) 5. "Livestock farm modernization or expansion" means the

7 construction, the improvement, or the acquisition of buildings or facilities, or the

8 acquisition of equipment, for livestock housing, confinement, feeding, or waste

9 management, including the following, if used exclusively related to livestock and if

10 acquired and placed in service in this state during taxable years that begin after

11 December 31, 2005, and before January 1, 2012:

12 a. Birthing structures.

13 b. Rearing structures.

14 c. Feedlot structures.

15 d. Feed storage and handling equipment.

16 e. Fences.

17 f. Watering facilities.

18 g. Scales.

19 h. Manure pumping and storage facilities.

20 i. Digesters.

21 j. Equipment used to produce energy.

22 k. Fish hatchery buildings.

23 l. Fish processing buildings.

24 m. Fish rearing ponds.

25 SECTION 1310e. 71.07 (3n) (a) 6. of the statutes is created to read:

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## SECTION 1310e

1           71.07 (3n) (a) 6. a. For taxable years that begin after December 31, 2003, and  
2           before January 1, 2006, "used exclusively," related to dairy animals, means used to  
3           the exclusion of all other uses except for use not exceeding 5 percent of total use.

4           b. For taxable years that begin after December 31, 2005, and before January  
5           1, 2010, "used exclusively," related to livestock, dairy animals, or both, means used  
6           to the exclusion of all other uses except for use not exceeding 5 percent of total use.

7           c. For taxable years that begin after December 31, 2009, and before January  
8           1, 2012, "used exclusively," related to livestock, means used to the exclusion of all  
9           other uses except for use not exceeding 5 percent of total use.

10          **SECTION 1311b.** 71.07 (3n) (b) of the statutes is renumbered 71.07 (3n) (b) 1.

11          **SECTION 1311c.** 71.07 (3n) (b) 2. of the statutes is created to read:

12           71.07 (3n) (b) 2. Subject to the limitations provided in this subsection, for  
13           taxable years that begin after December 31, 2005, and before January 1, 2012, a  
14           claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08 an  
15           amount equal to 10 percent of the amount the claimant paid in the taxable year for  
16           livestock farm modernization or expansion related to the operation of the claimant's  
17           livestock farm.

18          **SECTION 1311d.** 71.07 (3n) (e) of the statutes is renumbered 71.07 (3n) (e) 1.  
19           and amended to read:

20           71.07 (3n) (e) 1. Partnerships, limited liability companies, and tax-option  
21           corporations may not claim the credit under this subsection, but the eligibility for,  
22           and the amount of, the credit are based on their payment of expenses under par. (b),  
23           except that the aggregate amount of credits that the entity may compute shall not  
24           exceed \$50,000. A partnership, limited liability company, or tax-option corporation  
25           shall compute the amount of credit that each of its partners, members, or

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## SECTION 1311d

1 shareholders may claim and shall provide that information to each of them.  
2 Partners, members of limited liability companies, and shareholders of tax-option  
3 corporations may claim the credit in proportion to their ownership interest.

4 **SECTION 1311e.** 71.07 (3n) (e) 2. of the statutes is created to read:

5 71.07 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock  
6 farm, each person may claim a credit under par. (b) in proportion to his or her  
7 ownership interest, except that the aggregate amount of the credits claimed by all  
8 persons who own and operate the farm shall not exceed \$50,000.

9 **SECTION 1311g.** 71.07 (5) (a) 15. of the statutes is amended to read:

10 71.07 (5) (a) 15. The amount claimed as a deduction for medical care insurance  
11 under section 213 of the Internal Revenue Code that is exempt from taxation under  
12 s. 71.05 (6) (b) 17. to 20., 35., 36., 37., and 38. and the amount claimed as a deduction  
13 for a long-term care insurance policy under section 213 (d) (1) (D) of the Internal  
14 Revenue Code, as defined in section 7702B (b) of the Internal Revenue Code that is  
15 exempt from taxation under s. 71.05 (6) (b) 26.

16 **SECTION 1311i.** 71.07 (5g) of the statutes is created to read:

17 71.07 (5g) HEALTH INSURANCE RISK-SHARING PLAN ASSESSMENTS CREDIT. (a)  
18 *Definitions.* In this subsection, "claimant" means a partner, limited liability  
19 company member, or tax-option corporation shareholder who files a claim under this  
20 subsection and who is a partner, member, or shareholder of an entity that is an  
21 insurer, as defined in s. 149.10 (5).

22 (b) *Filing claims.* Subject to the limitations provided under this subsection, for  
23 taxable years beginning after December 31, 2005, a claimant may claim as a credit  
24 against the taxes imposed under s. 71.02 an amount that is equal to a percentage of

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SECTION 1311i

1 the amount of the assessment under s. 149.13 that the claimant paid in the taxable  
2 year, as determined under par. (c).

3 (c) *Limitations.* 1. The department of revenue, in consultation with the office  
4 of the commissioner of insurance, shall determine the percentage under par. (b) for  
5 each claimant for each taxable year so that the cost of the credit under this subsection  
6 and ss. 71.28 (5g), 71.47 (5g), and 76.655 is as close as practicable to \$2,000,000 in  
7 the 2006-07 fiscal year and \$5,000,000 in each fiscal year thereafter.

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

16 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
17 s. 71.28 (4), applies to the credit under this subsection.

18 **SECTION 1311j.** 71.07 (6e) of the statutes is created to read:

19 71.07 (6e) VETERANS AND SURVIVING SPOUSES PROPERTY TAX CREDIT. (a)

20 *Definitions.* In this subsection:

21 1. "Claimant" means an eligible unremarried surviving spouse or an eligible  
22 veteran who files a claim under this subsection.

23 2. "Eligible unremarried surviving spouse" means an unremarried surviving  
24 spouse of one of the following, as verified by the department of veterans affairs:

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1 a. An individual who had served on active duty in the U.S. armed forces or in  
2 forces incorporated as part of the U.S. armed forces, who was a resident of this state  
3 at the time of entry into that active service, and who, while a resident of this state,  
4 died while on active duty.

5 b. An individual who had served on active duty under honorable conditions in  
6 the U.S. armed forces or in forces incorporated as part of the U.S. armed forces; who  
7 was a resident of this state at the time of entry into that active service; who was at  
8 least 65 years of age at the time of his or her death or would have been 65 years of  
9 age at the close of the year in which the death occurred; who was a resident of this  
10 state at the time of his or her death; and who had a service-connected disability  
11 rating of 100 percent under 38 USC 1114 or 1134.

12 c. An individual who had served in the national guard or a reserve component  
13 of the U.S. armed forces, who was a resident of this state at the time of entry into that  
14 service, and who, while a resident of this state, died in the line of duty while on active  
15 or inactive duty for training purposes.

16 3. "Eligible veteran" means an individual who is at least 65 years of age and  
17 who is verified by the department of veterans affairs as meeting all of the following  
18 conditions:

19 a. Served on active duty under honorable conditions in the U.S. armed forces  
20 or in forces incorporated in the U.S. armed forces.

21 b. Was a resident of this state at the time of entry into that active service.

22 c. Is currently a resident of this state for purposes of receiving veterans benefits  
23 under ch. 45.

24 d. Has a service-connected disability rating of 100 percent under 38 USC 1114  
25 or 1134.

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1 4. "Principal dwelling" has the meaning given in sub. (9) (a) 2.

2 5. "Property taxes" means real and personal property taxes, exclusive of special  
3 assessments, delinquent interest, and charges for service, paid by a claimant on the  
4 claimant's principal dwelling in this state during the taxable year for which credit  
5 under this subsection is claimed, less any property taxes paid which are properly  
6 includable as a trade or business expense under section 162 of the Internal Revenue  
7 Code. If the principal dwelling on which the taxes were paid is owned by 2 or more  
8 persons or entities as joint tenants or tenants in common or is owned by spouses as  
9 marital property, "property taxes" is that part of property taxes paid that reflects the  
10 ownership percentage of the claimant. If the principal dwelling is sold during the  
11 taxable year, the "property taxes" for the seller and buyer shall be the amount of the  
12 tax prorated to each in the closing agreement pertaining to the sale or, if not so  
13 provided for in the closing agreement, the tax shall be prorated between the seller  
14 and buyer in proportion to months of their respective ownership. "Property taxes"  
15 includes monthly parking permit fees in respect to a principal dwelling collected  
16 under s. 66.0435 (3) (c).

17 (b) *Filing claims.* Subject to the limitations provided in this subsection, a  
18 claimant may claim as a credit against the tax imposed under s. 71.02 the amount  
19 of the claimant's property taxes. If the allowable amount of the claim exceeds the  
20 income taxes otherwise due on the claimant's income, the amount of the claim not  
21 used as an offset against those taxes shall be certified by the department of revenue  
22 to the department of administration for payment to the claimant by check, share  
23 draft, or other draft from the appropriation under s. 20.835 (2) (em).

24 (c) *Limitations.* 1. No credit may be allowed under this subsection unless it  
25 is claimed within the time period under s. 71.75 (2).

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1           2. No credit may be allowed under this subsection if the individual, or the  
2 individual's spouse, files a claim under sub. (3m) or (9) or subch. VIII or IX that  
3 relates to the same taxable year for which a claim is made under this subsection.

4           (d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit  
5 under that subsection, applies to the credit under this subsection.

6           **SECTION 1311m.** 71.07 (6m) (b) of the statutes is renumbered 71.07 (6m) (b)  
7 (intro.) and amended to read:

8           **71.07 (6m) (b) Filing claims.** (intro.) Subject to the limitations and conditions  
9 provided in this subsection, a claimant may claim as a credit against the tax imposed  
10 under s. 71.02, up to the amount of those taxes, one of the following amounts:

11           1. For taxable years beginning before January 1, 2006, an amount up to \$200  
12 of military income for services performed by the claimant while he or she is stationed  
13 outside of the United States.

14           **SECTION 1311n.** 71.07 (6m) (b) 2. of the statutes is created to read:

15           **71.07 (6m) (b) 2.** For taxable years beginning after December 31, 2005, an  
16 amount up to \$300 of military income for services performed by the claimant while  
17 he or she is stationed outside of the United States.

18           **SECTION 1312.** 71.07 (10) of the statutes is amended to read:

19           **71.07 (10) CREDITS NOT ALLOWED.** The credits under s. 71.28 (4) and (5) may not  
20 be claimed by partners, including partners of a publicly traded partnership treated  
21 as a corporation under s. 71.22 (1) (1k), members of a limited liability company,  
22 including members of a limited liability company treated as a corporation under s.  
23 77.22 (1) (1k), or shareholders of a tax-option corporation.

24           **SECTION 1312m.** 71.08 (1) (intro.) of the statutes is amended to read:



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SECTION 1312m

1 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married  
 2 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under  
 3 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2fd), (3m), (3n), (3s),  
 4 (3t), (5b), (5d), (6), (6e), <sup>(8r)</sup> and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx),  
 5 (1fd), (2m), (3), (3n), and (3t) and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx),  
 6 (1fd), (2m), (3), (3n), and (3t) and subchs. VIII and IX and payments to other states  
 7 under s. 71.07 (7), is less than the tax under this section, there is imposed on that  
 8 natural person, married couple filing jointly, trust, or estate, instead of the tax under  
 9 s. 71.02, an alternative minimum tax computed as follows:

10 **SECTION 1312r.** 71.10 (4) (cp) of the statutes is created to read:  
 11 71.10 (4) (cp) Health insurance risk-sharing plan assessments credit under s.  
 12 71.07 (5g).

13 **SECTION 1312u.** 71.10 (4) (i) of the statutes is amended to read:  
 14 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland  
 15 preservation credit under subch. IX, homestead credit under subch. VIII, farmland  
 16 tax relief credit under s. 71.07 (3m), farmers' drought property tax credit under s.  
 17 71.07 (2fd), veterans and surviving spouses property tax credit under s. 71.07 (6e),  
 18 earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09,  
 19 and taxes withheld under subch. X.

20 **SECTION 1313.** 71.10 (5g) of the statutes is created to read:  
 21 71.10 (5g) VETERANS TRUST FUND DONATIONS. (a) *Definitions.* In this subsection:  
 22 1. "Department" means the department of revenue.  
 23 2. "Veterans trust fund" means the fund under s. 25.36.  
 24 (b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an  
 25 income tax return who has a tax liability or is entitled to a tax refund may designate

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1 on the return any amount of additional payment or any amount of a refund due that  
2 individual as a veterans trust fund donation.

3 2. 'Designation added to tax owed.' If the individual owes any tax, the  
4 individual shall remit in full the tax due and the amount designated on the return  
5 as a veterans trust fund donation when the individual files a tax return.

6 3. 'Designation deducted from refund.' Except as provided in par. (d), if the  
7 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80  
8 (3) and (3m), the department of revenue shall deduct the amount designated on the  
9 return as a veterans trust fund donation from the amount of the refund.

10 (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails  
11 to remit an amount equal to or in excess of the total of the actual tax due, after error  
12 corrections, and the amount designated on the return as a veterans trust fund  
13 donation:

14 1. The department shall reduce the designation for the veterans trust fund to  
15 reflect the amount remitted in excess of the actual tax due, after error corrections,  
16 if the individual remitted an amount in excess of the actual tax due, after error  
17 corrections, but less than the total of the actual tax due, after error corrections, and  
18 the amount originally designated on the return as a veterans trust fund donation.

19 2. The designation for the veterans trust fund donation is void if the individual  
20 remitted an amount equal to or less than the actual tax due, after error corrections.

21 (d) *Errors; insufficient refund.* If an individual is owed a refund which does not  
22 equal or exceed the amount designated on the return as a veterans trust fund  
23 donation, after crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error  
24 corrections, the department shall reduce the designation for the veterans trust fund  
25 donation to reflect the actual amount of the refund that the individual is otherwise

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1 owed, after crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error  
2 corrections.

3 (e) *Conditions.* If an individual places any conditions on a designation for the  
4 veterans trust fund donation, the designation is void.

5 (f) *Void designation.* If a designation for the veterans trust fund donation is  
6 void, the department shall disregard the designation and determine amounts due,  
7 owed, refunded, and received without regard to the void designation.

8 (g) *Tax return.* The secretary of revenue shall provide a place for the  
9 designations under this subsection on the individual income tax return.

10 (h) *Certification of amounts.* Annually, on or before September 15, the  
11 secretary of revenue shall certify to the department of veterans affairs, the  
12 department of administration, and the state treasurer:

13 1. The total amount of the administrative costs, including data processing  
14 costs, incurred by the department in administering this subsection during the  
15 previous fiscal year.

16 2. The total amount received from all designations for veterans trust fund  
17 donations made by taxpayers during the previous fiscal year.

18 3. The net amount remaining after the administrative costs, including data  
19 processing costs, under subd. 1. are subtracted from the total received under subd.

20 2.

21 (i) *Appropriations.* From the moneys received from designations for veterans  
22 trust fund donations, an amount equal to the sum of administrative expenses,  
23 including data processing costs, certified under par. (h) 1. shall be deposited into the  
24 general fund and credited to the appropriation account under s. 20.566 (1) (hp), and

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1 the net amount remaining that is certified under par. (h) 3. shall be deposited into  
2 the veterans trust fund and used for veterans programs under s. 25.36 (1).

3 (j) *Amounts subject to refund.* Amounts designated as veterans trust fund  
4 donations under this subsection are not subject to refund to the taxpayer unless the  
5 taxpayer submits information to the satisfaction of the department, within 18  
6 months after the date on which the taxes are due or the date on which the return is  
7 filed, whichever is later, that the amount designated is clearly in error. Any refund  
8 granted by the department under this paragraph shall be deducted from the moneys  
9 received under this subsection in the fiscal year for which the refund is certified.

10 **SECTION 1314.** 71.10 (6) (a) of the statutes is amended to read:

11 71.10 (6) (a) *Joint returns.* Persons filing a joint return are jointly and severally  
12 liable for the tax, interest, penalties, fees, additions to tax and additional  
13 assessments under this chapter applicable to the return. ~~A Except as provided in~~  
14 ~~par. (e), a person shall be relieved of liability in regard to a joint return in the manner~~  
15 ~~specified in section 6013 (e) 6015 (a) to (d) and (f) of the internal revenue code,~~  
16 ~~notwithstanding the amount or percentage of the understatement~~ Internal Revenue  
17 Code.

18 **SECTION 1315.** 71.10 (6) (b) of the statutes is amended to read:

19 71.10 (6) (b) *Separate returns.* ~~A Except as provided in par. (e), a spouse filing~~  
20 ~~a separate return may be relieved of liability for the tax, interest, penalties, fees,~~  
21 ~~additions to tax and additional assessments under this chapter with regard to~~  
22 ~~unreported marital property income in the manner specified in section 66 (c) of the~~  
23 ~~internal revenue code~~ Internal Revenue Code. The department may not apply ch.  
24 766 in assessing a taxpayer with respect to marital property income the taxpayer did  
25 not report if that taxpayer failed to notify the taxpayer's spouse about the amount

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## SECTION 1315

1 and nature of the income before the due date, including extensions, for filing the  
2 return for the taxable year in which the income was derived. The department shall  
3 include all of that marital property income in the gross income of the taxpayer and  
4 exclude all of that marital property income from the gross income of the taxpayer's  
5 spouse.

6 **SECTION 1316.** 71.10 (6) (e) of the statutes is created to read:

7 **71.10 (6) (e) Application for relief.** A person who seeks relief from liability  
8 under par. (a) or (b) shall apply for relief with the department, on a form prescribed  
9 by the department, within 2 years after the date on which the department first  
10 begins collection activities after the effective date of this paragraph .... [revisor  
11 inserts date].

12 **SECTION 1317.** 71.10 (6m) (a) of the statutes is amended to read:

13 **71.10 (6m) (a)** A Except as provided in par. (c), a formerly married or remarried  
14 person filing a return for a period during which the person was married may be  
15 relieved of liability for the tax, interest, penalties, fees, additions to tax and  
16 additional assessments under this chapter for unreported marital property income  
17 from that period as if the person were a spouse under section 66 (c) of the internal  
18 revenue code Internal Revenue Code. The department may not apply ch. 766 in  
19 assessing the former spouse of the person with respect to marital property income  
20 that the former spouse did not report if that former spouse failed to notify the person  
21 about the amount and nature of the income before the due date, including extensions,  
22 for filing the return for the taxable year during which the income was derived. The  
23 department shall include all of that marital property income in the gross income of  
24 the former spouse and exclude all of that marital property income from the gross  
25 income of the person.

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1       **SECTION 1318.** 71.10 (6m) (c) of the statutes is created to read:

2       **71.10 (6m) (c)** A person who seeks relief from liability under par. (a) shall apply  
3       for relief with the department as provided under sub. (6) (e).

4       **SECTION 1319.** 71.195 of the statutes is amended to read:

5       **71.195 Definition.** In this subchapter, “partnership” includes limited liability  
6       companies and other entities that are treated as partnerships under the Internal  
7       Revenue Code, and “partnership” does not include publicly traded partnerships  
8       treated as corporations under s. 71.22 (1) (1k).

9       **SECTION 1319m.** 71.21 (4) of the statutes is amended to read:

10       **71.21 (4)** Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
11       (2dj), (2dL), (2dm), (2ds), (2dx), (3g), (3n), (3s), (3t), and (5b), and (5g) and passed  
12       through to partners shall be added to the partnership’s income.

13       **SECTION 1320.** 71.22 (1) of the statutes is renumbered 71.22 (1k).

14       **SECTION 1321.** 71.22 (1g) of the statutes is created to read:

15       **71.22 (1g)** For purposes of s. 71.25 (9) (df) and (dh), “commercial domicile”  
16       means the location from which a trade or business is principally managed and  
17       directed, based on any factors the department determines are appropriate, including  
18       the location where the greatest number of employees of the trade or business work,  
19       have their office or base of operations, or from which the employees are directed or  
20       controlled.

21       **SECTION 1322.** 71.22 (1t) of the statutes is created to read:

22       **71.22 (1t)** For purposes of s. 71.25 (9) (df) and (dh), “domicile” means an  
23       individual’s true, fixed, and permanent home where the individual intends to remain  
24       permanently and indefinitely and to which, whenever absent, the individual intends  
25       to return, except that no individual may have more than one domicile at any time.

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1323

1           **SECTION 1323.** 71.22 (4) (j) of the statutes is repealed.

2           **SECTION 1324.** 71.22 (4) (k) of the statutes is repealed.

3           **SECTION 1325.** 71.22 (4) (L) of the statutes is amended to read:

4           71.22 (4) (L) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
5           (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after  
6           December 31, 1996, and before January 1, 1998, means the federal Internal  
7           Revenue Code as amended to December 31, 1996, excluding sections 103, 104, and  
8           110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
9           103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
10          and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L.  
11          106-36, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
12          excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
13          101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109  
14          of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of  
15          P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
16          910 of P.L. 108-357, and as indirectly affected in the provisions applicable to this  
17          subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2)  
18          (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008  
19          (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.  
20          101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
21          102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
22          13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
23          104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
24          (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
25          105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of

**ENGROSSED ASSEMBLY BILL 100****SECTION 1325**

1 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
2 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
3 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
4 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
5 201, 244, 336, 337, 909, and 910 of P.L. 108-357. The Internal Revenue Code applies  
6 for Wisconsin purposes at the same time as for federal purposes. Amendments to the  
7 federal Internal Revenue Code enacted after December 31, 1996, do not apply to this  
8 paragraph with respect to taxable years beginning after December 31, 1996, and  
9 before January 1, 1998, except that changes to the Internal Revenue Code made by  
10 P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554,  
11 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
12 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
13 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
14 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
15 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
16 and changes that indirectly affect the provisions applicable to this subchapter made  
17 by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554,  
18 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
19 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
20 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
21 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
22 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
23 apply for Wisconsin purposes at the same time as for federal purposes.

24 **SECTION 1326.** 71.22 (4) (m) of the statutes is amended to read:



**ENGROSSED ASSEMBLY BILL 100****SECTION 1326**

1           71.22 (4) (m) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
2           (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after  
3           December 31, 1997, and before January 1, 1999, means the federal Internal  
4           Revenue Code as amended to December 31, 1997, excluding sections 103, 104, and  
5           110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
6           103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
7           and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
8           106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
9           excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
10          101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109  
11          of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of  
12          P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
13          910 of P.L. 108-357, and as indirectly affected in the provisions applicable to this  
14          subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2)  
15          (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008  
16          (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.  
17          101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
18          102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
19          13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
20          104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
21          (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
22          105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554,  
23          excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
24          of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
25          107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.

**ENGROSSED ASSEMBLY BILL 100****SECTION 1326**

1 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
2 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357.  
3 The Internal Revenue Code applies for Wisconsin purposes at the same time as for  
4 federal purposes. Amendments to the federal Internal Revenue Code enacted after  
5 December 31, 1997, do not apply to this paragraph with respect to taxable years  
6 beginning after December 31, 1997, and before January 1, 1999, except that  
7 changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L.  
8 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of  
9 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
10 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
11 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
12 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
13 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes that indirectly affect  
14 the provisions applicable to this subchapter made by P.L. 105-178, P.L. 105-206, P.L.  
15 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of  
16 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
17 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
18 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
19 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
20 201, 244, 336, 337, 909, and 910 of P.L. 108-357, apply for Wisconsin purposes at the  
21 same time as for federal purposes.

22 **SECTION 1327.** 71.22 (4) (n) of the statutes is amended to read:  
23 71.22 (4) (n) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
24 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after  
25 December 31, 1998, and before January 1, 2000, means the federal Internal

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1327

1 Revenue Code as amended to December 31, 1998, 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. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding  
5 sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L.  
6 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147,  
7 P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121,  
8 P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and  
9 P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L.  
10 108-357, and as indirectly affected in the provisions applicable to this subchapter  
11 by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d)  
12 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.  
13 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
14 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
15 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
16 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.  
17 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
18 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
19 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
20 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
21 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
22 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L.  
23 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
24 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
25 of P.L. 108-357. The Internal Revenue Code applies for Wisconsin purposes at the

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1327

1 same time as for federal purposes. Amendments to the federal Internal Revenue  
2 Code enacted after December 31, 1998, do not apply to this paragraph with respect  
3 to taxable years beginning after December 31, 1998, and before January 1, 2000,  
4 except that changes to the Internal Revenue Code made by P.L. 106-36, P.L.  
5 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
6 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147,  
7 excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L.  
8 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
9 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
10 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes that indirectly affect  
11 the provisions applicable to this subchapter made by P.L. 106-36, P.L. 106-170, P.L.  
12 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
13 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
14 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding  
15 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
16 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337,  
17 909, and 910 of P.L. 108-357, apply for Wisconsin purposes at the same time as for  
18 federal purposes.

19 **SECTION 1328.** 71.22 (4) (o) of the statutes is amended to read:  
20 71.22 (4) (o) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
21 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after  
22 December 31, 1999, and before January 1, 2003, means the federal Internal Revenue  
23 Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.  
24 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66  
25 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as

**ENGROSSED ASSEMBLY BILL 100****SECTION 1328**

1 amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.  
2 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22,  
3 P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
4 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27,  
5 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
6 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
7 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244,  
8 336, 337, 909, and 910 of P.L. 108-357, 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 1123 (b), 1202 (c), 1204 (f),  
16 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.  
17 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.  
18 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,  
19 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.  
20 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181,  
21 P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27, excluding sections 106,  
22 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
23 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
24 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
25 of P.L. 108-357. The Internal Revenue Code applies for Wisconsin purposes at the

**ENGROSSED ASSEMBLY BILL 100****SECTION 1328**

1 same time as for federal purposes. Amendments to the federal Internal Revenue  
2 Code enacted after December 31, 1999, do not apply to this paragraph with respect  
3 to taxable years beginning after December 31, 1999, and before January 1, 2003,  
4 except that changes to the Internal Revenue Code made by P.L. 106-230, P.L.  
5 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
6 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
7 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210,  
8 P.L. 107-276, and P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202  
9 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L.  
10 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
11 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
12 and changes that indirectly affect the provisions applicable to this subchapter made  
13 by P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.  
14 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116,  
15 P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L.  
16 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27, excluding  
17 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.  
18 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
19 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
20 and 910 of P.L. 108-357, apply for Wisconsin purposes at the same time as for federal  
21 purposes.

22 **SECTION 1329.** 71.22 (4) (p) of the statutes is amended to read:

23 71.22 (4) (p) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
24 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after  
25 December 31, 2002, and before January 1, 2004, means the federal Internal Revenue

**ENGROSSED ASSEMBLY BILL 100****SECTION 1329**

1 Code as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L.  
2 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
3 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519,  
4 sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, and  
5 section 101 of P.L. 107-147, and as amended by P.L. 108-27, excluding sections 106,  
6 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
7 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.  
8 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L.  
9 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
10 and P.L. 108-375, and as indirectly affected in the provisions applicable to this  
11 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2)  
12 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008  
13 (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.  
14 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
15 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
16 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
17 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
18 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
19 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
20 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
21 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
22 107-147, excluding section 101 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
23 107-276, and P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
24 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding  
25 section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding

**ENGROSSED ASSEMBLY BILL 100****SECTION 1329**

1 sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding  
2 sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and P.L. 108-375. The  
3 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal  
4 purposes. Amendments to the federal Internal Revenue Code enacted after  
5 December 31, 2002, do not apply to this paragraph with respect to taxable years  
6 beginning after December 31, 2002, and before January 1, 2004, except that changes  
7 to the Internal Revenue Code made by P.L. 108-27, excluding sections 106, 201, and  
8 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173,  
9 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
10 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
11 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and P.L.  
12 108-375, and changes that indirectly affect the provisions applicable to this  
13 subchapter made by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27,  
14 P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section  
15 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections  
16 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,  
17 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and P.L. 108-375, apply for  
18 Wisconsin purposes at the same time as for federal purposes.

19 **SECTION 1330.** 71.22 (4) (q) of the statutes is created to read:

20 71.22 (4) (q) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
21 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after  
22 December 31, 2003, and before January 1, 2005, means the federal Internal Revenue  
23 Code as amended to December 31, 2003, excluding sections 103, 104, and 110 of P.L.  
24 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
25 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519,



## ENGROSSED ASSEMBLY BILL 100

## SECTION 1330

1 sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, section  
2 101 of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 109 of P.L.  
3 108-121, and section 1201 of P.L. 108-173, and as amended by P.L. 108-203, P.L.  
4 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
5 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
6 P.L. 108-357, P.L. 108-375, and P.L. 108-476, and as indirectly affected in the  
7 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647  
8 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2)  
9 of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.  
10 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and  
11 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
12 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
13 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
14 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
15 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
16 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
17 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.  
18 107-116, P.L. 107-134, P.L. 107-147, excluding section 101 of P.L. 107-147, P.L.  
19 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections  
20 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121,  
21 P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218,  
22 P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L.  
23 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
24 P.L. 108-375, and P.L. 108-476. The Internal Revenue Code applies for Wisconsin  
25 purposes at the same time as for federal purposes. Amendments to the federal

**ENGROSSED ASSEMBLY BILL 100****SECTION 1330**

1 Internal Revenue Code enacted after December 31, 2003, do not apply to this  
2 paragraph with respect to taxable years beginning after December 31, 2003, and  
3 before January 1, 2005, except that changes to the Internal Revenue Code made by  
4 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
5 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
6 and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, and changes that indirectly  
7 affect the provisions applicable to this subchapter made by P.L. 108-203, P.L.  
8 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
9 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
10 P.L. 108-357, P.L. 108-375, and P.L. 108-476, apply for Wisconsin purposes at the  
11 same time as for federal purposes.

12 **SECTION 1331.** 71.22 (4) (r) of the statutes is created to read:

13 71.22 (4) (r) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
14 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after  
15 December 31, 2004, means the federal Internal Revenue Code as amended to  
16 December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102-227, sections  
17 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
18 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.  
19 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.  
20 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section  
21 1201 of P.L. 108-173, sections 306, 308, 401, and 403 (a) of P.L. 108-311, and sections  
22 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in  
23 the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.  
24 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823  
25 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L.