

**ENGROSSED ASSEMBLY BILL 100****SECTION 1331**

1 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
2 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding  
3 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.  
4 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections  
5 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
6 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
7 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
8 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
9 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101 of P.L.  
10 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
11 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,  
12 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
13 excluding sections 306, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding  
14 sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L.  
15 108-476. The Internal Revenue Code applies for Wisconsin purposes at the same  
16 time as for federal purposes. Amendments to the federal Internal Revenue Code  
17 enacted after December 31, 2004, do not apply to this paragraph with respect to  
18 taxable years beginning after December 31, 2004.

19 **SECTION 1332.** 71.22 (4m) (h) of the statutes is repealed.

20 **SECTION 1333.** 71.22 (4m) (i) of the statutes is repealed.

21 **SECTION 1334.** 71.22 (4m) (j) of the statutes is amended to read:

22 71.22 (4m) (j) For taxable years that begin after December 31, 1996, and before  
23 January 1, 1998, "Internal Revenue Code", for corporations that are subject to a tax  
24 on unrelated business income under s. 71.26 (1) (a), means the federal Internal  
25 Revenue Code as amended to December 31, 1996, excluding sections 103, 104, and

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1 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
2 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188  
3 and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L.  
4 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
5 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
6 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109  
7 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of  
8 P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
9 910 of P.L. 108-357, and as indirectly affected in the provisions applicable to this  
10 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
11 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
12 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
13 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
14 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
15 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
16 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554,  
17 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
18 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
19 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
20 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
21 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357.  
22 The Internal Revenue Code applies for Wisconsin purposes at the same time as for  
23 federal purposes. Amendments to the Internal Revenue Code enacted after  
24 December 31, 1996, do not apply to this paragraph with respect to taxable years  
25 beginning after December 31, 1996, and before January 1, 1998, except that

1 changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L.  
2 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of  
3 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
4 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
5 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
6 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
7 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes that indirectly affect  
8 provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L.  
9 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of  
10 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
11 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
12 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
13 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
14 201, 244, 336, 337, 909, and 910 of P.L. 108-357, apply for Wisconsin purposes at the  
15 same time as for federal purposes.

16 **SECTION 1335.** 71.22 (4m) (k) of the statutes is amended to read:  
17 71.22 (4m) (k) For taxable years that begin after December 31, 1997, and  
18 before January 1, 1999, "Internal Revenue Code", for corporations that are subject  
19 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal  
20 Internal Revenue Code as amended to December 31, 1997, excluding sections 103,  
21 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
22 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
23 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36,  
24 P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.  
25 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding

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1 sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding  
2 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
3 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337,  
4 909, and 910 of P.L. 108-357, and as indirectly affected in the provisions applicable  
5 to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
6 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
7 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding  
8 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.  
9 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections  
10 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
11 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
12 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
13 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147,  
14 excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121,  
15 excluding section 109 of P.L. 108-121. P.L. 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 Internal Revenue Code enacted after December 31, 1997, do not apply to this  
20 paragraph with respect to taxable years beginning after December 31, 1997, and  
21 before January 1, 1999, except that changes to the Internal Revenue Code made by  
22 P.L. 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.

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## SECTION 1335

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

11 **SECTION 1336.** 71.22 (4m) (L) of the statutes is amended to read:

12 71.22 (4m) (L) For taxable years that begin after December 31, 1998, and  
13 before January 1, 2000, "Internal Revenue Code", for corporations that are subject  
14 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal  
15 Internal Revenue Code as amended to December 31, 1998, excluding sections 103,  
16 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
17 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
18 104-188, and as amended by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
19 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
20 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
21 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L.  
22 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
23 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
24 of P.L. 108-357, and as indirectly affected in the provisions applicable to this  
25 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,

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1 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
2 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
3 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
4 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
5 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
6 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
7 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
8 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147,  
9 excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L.  
10 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
11 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
12 201, 244, 336, 337, 909, and 910 of P.L. 108-357. The Internal Revenue Code applies  
13 for Wisconsin purposes at the same time as for federal purposes. Amendments to the  
14 Internal Revenue Code enacted after December 31, 1998, do not apply to this  
15 paragraph with respect to taxable years beginning after December 31, 1998, and  
16 before January 1, 2000, except that changes to the Internal Revenue Code made by  
17 P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and  
18 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134,  
19 P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L.  
20 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
21 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
22 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes  
23 that indirectly affect the provisions applicable to this subchapter made by P.L.  
24 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
25 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.

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1 107-147, 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, apply for  
5 Wisconsin purposes at the same time as for federal purposes.

6 **SECTION 1337.** 71.22 (4m) (m) of the statutes is amended to read:

7 71.22 (4m) (m) For taxable years that begin after December 31, 1999, and  
8 before January 1, 2003, "Internal Revenue Code", for corporations that are subject  
9 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal  
10 Internal Revenue Code as amended to December 31, 1999, excluding sections 103,  
11 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
12 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
13 104-188, and as amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and  
14 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16,  
15 P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and  
16 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L.  
17 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
18 section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307,  
19 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201,  
20 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in the  
21 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
22 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
23 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
24 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
25 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,

**ENGROSSED ASSEMBLY BILL 100****SECTION 1337**

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



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## SECTION 1337

1 excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
2 107-276, and P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
3 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L.  
4 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
5 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
6 apply for Wisconsin purposes at the same time as for federal purposes.

7 **SECTION 1338.** 71.22 (4m) (n) of the statutes is amended to read:

8 **71.22 (4m) (n)** For taxable years that begin after December 31, 2002, and  
9 before January 1, 2004, "Internal Revenue Code," for corporations that are subject  
10 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal  
11 Internal Revenue Code as amended to December 31, 2002, excluding sections 103,  
12 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
13 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
14 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section  
15 431 of P.L. 107-16, and section 101 of P.L. 107-147, and as amended by P.L. 108-27,  
16 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
17 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
18 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
19 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
20 910 of P.L. 108-357, and P.L. 108-375, and as indirectly affected in the provisions  
21 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.  
22 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
23 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
24 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
25 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1338

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

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## SECTION 1338

1 PL. 108-357, and P.L. 108-375, apply for Wisconsin purposes at the same time as  
2 for federal purposes.

3 **SECTION 1339.** 71.22 (4m) (o) of the statutes is created to read:

4 71.22 (4m) (o) For taxable years that begin after December 31, 2003, and  
5 before January 1, 2005, "Internal Revenue Code," for corporations that are subject  
6 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal  
7 Internal Revenue Code as amended to December 31, 2003, excluding sections 103,  
8 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and  
9 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of  
10 P.L. 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573,  
11 section 431 of P.L. 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202  
12 of P.L. 108-27, section 109 of P.L. 108-121, and section 1201 of P.L. 108-173, and  
13 as amended by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
14 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,  
15 201, 244, 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476,  
16 and as indirectly affected in the provisions applicable to this subchapter by P.L.  
17 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.  
18 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.  
19 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113,  
20 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
21 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
22 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
23 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
24 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.  
25 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.

**ENGROSSED ASSEMBLY BILL 100****SECTION 1339**

1 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101 of P.L.  
2 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
3 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
4 section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173,  
5 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401,  
6 and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336,  
7 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476. The Internal  
8 Revenue Code applies for Wisconsin purposes at the same time as for federal  
9 purposes. Amendments to the Internal Revenue Code enacted after December 31,  
10 2003, do not apply to this paragraph with respect to taxable years beginning after  
11 December 31, 2003, and before January 1, 2005, except that changes to the  
12 Internal Revenue Code made by P.L. 108-203, P.L. 108-218, P.L. 108-311,  
13 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
14 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, P.L.  
15 108-375, and P.L. 108-476, and changes that indirectly affect the provisions  
16 applicable to this subchapter made by P.L. 108-203, P.L. 108-218, P.L. 108-311,  
17 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
18 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, P.L.  
19 108-375, and P.L. 108-476, apply for Wisconsin purposes at the same time as for  
20 federal purposes.

21 **SECTION 1340.** 71.22 (4m) (p) of the statutes is created to read:

22 71.22 (4m) (p) For taxable years that begin after December 31, 2004, "Internal  
23 Revenue Code," for corporations that are subject to a tax on unrelated business  
24 income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended  
25 to December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102-227, sections

**ENGROSSED ASSEMBLY BILL 100****SECTION 1340**

1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
2 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.  
3 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.  
4 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section  
5 1201 of P.L. 108-173, sections 306, 308, 401, and 403 (a) of P.L. 108-311, and sections  
6 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in  
7 the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.  
8 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
9 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
10 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
11 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.  
12 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
13 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
14 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
15 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
16 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
17 excluding section 101 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.  
18 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
19 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.  
20 108-218, P.L. 108-311, excluding sections 306, 308, 401, and 403 (a) of P.L. 108-311,  
21 P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L.  
22 108-357, P.L. 108-375, and P.L. 108-476. The Internal Revenue Code applies for  
23 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
24 Internal Revenue Code enacted after December 31, 2004, do not apply to this  
25 paragraph with respect to taxable years beginning after December 31, 2004.

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## SECTION 1341

1           **SECTION 1341.** 71.22 (6m) of the statutes is amended to read:

2           71.22 (6m) "Member" does not include a member of a limited liability company  
3           treated as a corporation under sub. (1) (1k).

4           **SECTION 1342.** 71.22 (7m) of the statutes is amended to read:

5           71.22 (7m) "Partner" does not include a partner of a publicly traded  
6           partnership treated as a corporation under sub. (1) (1k).

7           **SECTION 1343.** 71.22 (9g) of the statutes is created to read:

8           71.22 (9g) For purposes of s. 71.25 (9) (df) and (dh), "state" means a state of the  
9           United States, the District of Columbia, the commonwealth of Puerto Rico, or any  
10           territory or possession of the United States, unless the context requires that "state"  
11           means only the state of Wisconsin.

12           **SECTION 1344v.** 71.25 (9) (d) of the statutes is amended to read:

13           71.25 (9) (d) Sales Except as provided in pars. (df) and (dh), sales, other than  
14           sales of tangible personal property, are in this state if the income-producing activity  
15           is performed in this state. If the income-producing activity is performed both in and  
16           outside this state the sales shall be divided between those states having jurisdiction  
17           to tax such business in proportion to the direct costs of performance incurred in each  
18           such state in rendering this service. ~~Services performed in states which do not have~~  
19           ~~jurisdiction to tax the business shall be deemed to have been performed in the state~~  
20           ~~to which compensation is allocated by s. 71.25 (8), 2001 stats.~~

21           **SECTION 1347.** 71.25 (9) (df) of the statutes is created to read:

22           71.25 (9) (df) 1. Gross receipts from the use of computer software are in this  
23           state if the purchaser or licensee uses the computer software at a location in this  
24           state.

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1347

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

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

16           **SECTION 1349.** 71.25 (9) (dh) of the statutes is created to read:

17           71.25 (9) (dh) 1. Gross receipts from services are in this state if the purchaser  
18          of the service received the benefit of the service in this state.

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

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

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

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

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1349

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

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

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

13 **SECTION 1354L.** 71.26 (1) (bn) of the statutes is created to read:

14 71.26 (1) (bn) *Health Insurance Risk-Sharing Plan.* Income of the  
15 organization administering the Health Insurance Risk-Sharing Plan under ch. 149.

16 **SECTION 1354m.** 71.26 (2) (a) of the statutes is amended to read:

17 71.26 (2) (a) *Corporations in general.* The "net income" of a corporation means  
18 the gross income as computed under the Internal Revenue Code as modified under  
19 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit  
20 computed under s. 71.28 (1), (3), (4), and (5) minus, as provided under s. 71.28 (3) (c)  
21 7., the amount of the credit under s. 71.28 (3) that the taxpayer added to income  
22 under this paragraph at the time that the taxpayer first claimed the credit plus the  
23 amount of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm),  
24 (1ds), (1dx), (3g), (3n), (3t), and (5b), and (5g) and not passed through by a  
25 partnership, limited liability company, or tax-option corporation that has added that



**ENGROSSED ASSEMBLY BILL 100****SECTION 1354m**

1 amount to the partnership's, limited liability company's, or tax-option corporation's  
2 income under s. 71.21 (4) or 71.34 (1) (g) plus the amount of losses from the sale or  
3 other disposition of assets the gain from which would be wholly exempt income, as  
4 defined in sub. (3) (L), if the assets were sold or otherwise disposed of at a gain and  
5 minus deductions, as computed under the Internal Revenue Code as modified under  
6 sub. (3), plus or minus, as appropriate, an amount equal to the difference between  
7 the federal basis and Wisconsin basis of any asset sold, exchanged, abandoned, or  
8 otherwise disposed of in a taxable transaction during the taxable year, except as  
9 provided in par. (b) and s. 71.45 (2) and (5).

10 **SECTION 1355.** 71.26 (2) (b) 10. of the statutes is repealed.

11 **SECTION 1356.** 71.26 (2) (b) 11. of the statutes is repealed.

12 **SECTION 1357.** 71.26 (2) (b) 12. of the statutes is amended to read:

13 **71.26 (2) (b) 12.** For taxable years that begin after December 31, 1996, and  
14 before January 1, 1998, for a corporation, conduit or common law trust which  
15 qualifies as a regulated investment company, real estate mortgage investment  
16 conduit, real estate investment trust or financial asset securitization investment  
17 trust under the Internal Revenue Code as amended to December 31, 1996, excluding  
18 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
19 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
20 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206,  
21 P.L. 105-277, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L.  
22 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
23 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
24 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
25 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,

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1 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in the  
2 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
3 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
4 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
5 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
6 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
7 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
8 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L.  
9 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
10 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
11 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109  
12 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of  
13 P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
14 910 of P.L. 108-357, "net income" means the federal regulated investment company  
15 taxable income, federal real estate mortgage investment conduit taxable income,  
16 federal real estate investment trust or financial asset securitization investment  
17 trust taxable income of the corporation, conduit or trust as determined under the  
18 Internal Revenue Code as amended to December 31, 1996, 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 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
21 104-188 and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277,  
22 P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.  
23 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding  
24 sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding  
25 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and

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## SECTION 1357

1 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337,  
2 909, and 910 of P.L. 108-357, and as indirectly affected in the provisions applicable  
3 to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
4 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
5 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding  
6 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.  
7 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections  
8 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
9 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
10 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding  
11 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and  
12 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L.  
13 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
14 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
15 of P.L. 108-357, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats.,  
16 is required to be depreciated for taxable years 1983 to 1986 under the Internal  
17 Revenue Code as amended to December 31, 1980, shall continue to be depreciated  
18 under the Internal Revenue Code as amended to December 31, 1980, and except that  
19 the appropriate amount shall be added or subtracted to reflect differences between  
20 the depreciation or adjusted basis for federal income tax purposes and the  
21 depreciation or adjusted basis under this chapter of any property disposed of during  
22 the taxable year. The Internal Revenue Code as amended to December 31, 1996,  
23 excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171  
24 (d), 13174, and 13203 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311,  
25 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L.

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1 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of  
2 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
3 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
4 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
5 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
6 201, 244, 336, 337, 909, and 910 of P.L. 108-357, 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 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
9 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
10 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
11 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
12 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
13 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277, P.L.  
14 106-36, 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, and P.L. 107-181, P.L. 108-121, excluding section 109  
17 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of  
18 P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
19 910 of P.L. 108-357, applies for Wisconsin purposes at the same time as for federal  
20 purposes. Amendments to the Internal Revenue Code enacted after  
21 December 31, 1996, do not apply to this subdivision with respect to taxable years  
22 that begin after December 31, 1996, and before January 1, 1998, except that  
23 changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L.  
24 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-554, excluding sections 162 and 165 of  
25 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.

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1 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
2 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
3 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
4 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes that indirectly affect  
5 the provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L.  
6 105-206, P.L. 105-277, P.L. 106-36, 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, and P.L. 107-181, P.L.  
9 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
10 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
11 201, 244, 336, 337, 909, and 910 of P.L. 108-357, apply for Wisconsin purposes at the  
12 same time as for federal purposes.

13 **SECTION 1358.** 71.26 (2) (b) 13. of the statutes is amended to read:

14 71.26 (2) (b) 13. For taxable years that begin after December 31, 1997, and  
15 before January 1, 1999, for a corporation, conduit or common law trust which  
16 qualifies as a regulated investment company, real estate mortgage investment  
17 conduit, real estate investment trust or financial asset securitization investment  
18 trust under the Internal Revenue Code as amended to December 31, 1997, excluding  
19 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
20 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
21 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L.  
22 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of  
23 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
24 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
25 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,

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1 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
2 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in the  
3 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
4 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
5 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
6 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
7 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
8 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
9 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
10 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of  
11 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
12 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
13 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
14 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
15 201, 244, 336, 337, 909, and 910 of P.L. 108-357, "net income" means the federal  
16 regulated investment company taxable income, federal real estate mortgage  
17 investment conduit taxable income, federal real estate investment trust or financial  
18 asset securitization investment trust taxable income of the corporation, conduit or  
19 trust as determined under the Internal Revenue Code as amended to December 31,  
20 1997, excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d),  
21 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204  
22 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206,  
23 P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and  
24 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134,  
25 P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.

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1 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
2 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
3 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in the  
4 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
5 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
6 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
7 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
8 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
9 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
10 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
11 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554, excluding sections 162 and 165 of  
12 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
13 107-147, excluding sections 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L.  
14 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
15 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
16 201, 244, 336, 337, 909, and 910 of P.L. 108-357, except that property that, under s.  
17 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983  
18 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall  
19 continue to be depreciated under the Internal Revenue Code as amended to  
20 December 31, 1980, and except that the appropriate amount shall be added or  
21 subtracted to reflect differences between the depreciation or adjusted basis for  
22 federal income tax purposes and the depreciation or adjusted basis under this  
23 chapter of any property disposed of during the taxable year. The Internal Revenue  
24 Code as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.  
25 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,

**ENGROSSED ASSEMBLY BILL 100****SECTION 1358**

1 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as  
2 amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170,  
3 P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding  
4 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and  
5 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L.  
6 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
7 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
8 of P.L. 108-357, and as indirectly affected in the provisions applicable to this  
9 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
10 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
11 and 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. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
17 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
18 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109  
19 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of  
20 P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
21 910 of P.L. 108-357, applies for Wisconsin purposes at the same time as for federal  
22 purposes. Amendments to the Internal Revenue Code enacted after December 31,  
23 1997, do not apply to this subdivision with respect to taxable years that begin after  
24 December 31, 1997, and before January 1, 1999, except that changes to the Internal  
25 Revenue Code made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.



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1 106-170, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,  
2 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
3 101 and 406 of P.L. 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109  
4 of P.L. 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 changes that indirectly affect the provisions applicable to this  
7 subchapter made 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, apply for Wisconsin purposes at the same time as for federal  
14 purposes.

15 **SECTION 1359.** 71.26 (2) (b) 14. of the statutes is amended to read:

16 71.26 (2) (b) 14. For taxable years that begin after December 31, 1998, and  
17 before January 1, 2000, for a corporation, conduit or common law trust which  
18 qualifies as a regulated investment company, real estate mortgage investment  
19 conduit, real estate investment trust or financial asset securitization investment  
20 trust under the Internal Revenue Code as amended to December 31, 1998, excluding  
21 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
22 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
23 1605 (d) of P.L. 104-188, and as amended by P.L. 106-36, P.L. 106-170, P.L. 106-230,  
24 P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding  
25 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and

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1 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section  
2 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a)  
3 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 as indirectly affected in the provisions applicable to this  
5 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
6 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
7 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
8 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
9 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
10 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
11 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
12 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
13 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147,  
14 excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L.  
15 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306,  
16 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,  
17 201, 244, 336, 337, 909, and 910 of P.L. 108-357, “net income” means the federal  
18 regulated investment company taxable income, federal real estate mortgage  
19 investment conduit taxable income, federal real estate investment trust or financial  
20 asset securitization investment trust taxable income of the corporation, conduit or  
21 trust as determined under the Internal Revenue Code as amended to December 31,  
22 1998, excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d),  
23 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204  
24 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L. 106-36, P.L. 106-170,  
25 P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.

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1 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding  
2 sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121,  
3 excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308,  
4 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244,  
5 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in the provisions  
6 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.  
7 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
8 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
9 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
10 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
11 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
12 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
13 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
14 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
15 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181,  
16 and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
17 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
18 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, except that  
19 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
20 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to  
21 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
22 Code as amended to December 31, 1980, and except that the appropriate amount  
23 shall be added or subtracted to reflect differences between the depreciation or  
24 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
25 under this chapter of any property disposed of during the taxable year. The Internal

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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, P.L. 101-73, P.L. 101-140, P.L. 101-179,  
12 P.L. 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. 107-16,  
19 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections  
20 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding  
21 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
22 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337,  
23 909, and 910 of P.L. 108-357, applies for Wisconsin purposes at the same time as for  
24 federal purposes. Amendments to the Internal Revenue Code enacted after  
25 December 31, 1998, do not apply to this subdivision with respect to taxable years that

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1359

1 begin after December 31, 1998, and before January 1, 2000, except that changes to  
2 the Internal Revenue Code made by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
3 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding  
4 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and  
5 406 of P.L. 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section  
6 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a)  
7 of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
8 and 910 of P.L. 108-357, and changes that indirectly affect the provisions applicable  
9 to this subchapter made by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
10 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
11 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
12 107-147, P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L.  
13 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
14 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
15 of P.L. 108-357, apply for Wisconsin purposes at the same time as for federal  
16 purposes.

17 **SECTION 1360.** 71.26 (2) (b) 15. of the statutes is amended to read:  
18 **71.26 (2) (b) 15.** For taxable years that begin after December 31, 1999, and  
19 before January 1, 2003, for a corporation, conduit or common law trust which  
20 qualifies as a regulated investment company, real estate mortgage investment  
21 conduit, real estate investment trust or financial asset securitization investment  
22 trust under the Internal Revenue Code as amended to December 31, 1999, excluding  
23 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
24 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
25 1605 (d) of P.L. 104-188, and as amended by P.L. 106-230, P.L. 106-554, excluding

**ENGROSSED ASSEMBLY BILL 100****SECTION 1360**

1 sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431  
2 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding  
3 sections 101 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and  
4 P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
5 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311,  
6 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
7 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as  
8 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
9 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
10 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
11 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
12 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
13 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
14 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
15 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
16 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
17 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
18 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210,  
19 P.L. 107-276, and P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202  
20 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, 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 “net income” means the federal regulated investment company taxable income,  
24 federal real estate mortgage investment conduit taxable income, federal real estate  
25 investment trust or financial asset securitization investment trust taxable income

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1360

1 of the corporation, conduit or trust as determined under the Internal Revenue Code  
2 as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.  
3 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66  
4 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as  
5 amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.  
6 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22,  
7 P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
8 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27,  
9 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
10 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
11 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244,  
12 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in the provisions  
13 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.  
14 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
15 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
16 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
17 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
18 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
19 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
20 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
21 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
22 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections  
23 101 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L.  
24 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
25 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311,

**ENGROSSED ASSEMBLY BILL 100****SECTION 1360**

1 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
2 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, except that  
3 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
4 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to  
5 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
6 Code as amended to December 31, 1980, and except that the appropriate amount  
7 shall be added or subtracted to reflect differences between the depreciation or  
8 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
9 under this chapter of any property disposed of during the taxable year. The Internal  
10 Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and  
11 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
12 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
13 and as amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.  
14 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22,  
15 P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
16 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27,  
17 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
18 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
19 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244,  
20 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected in the provisions  
21 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.  
22 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
23 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
24 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
25 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,



## ENGROSSED ASSEMBLY BILL 100

## SECTION 1360

1 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
2 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
3 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
4 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
5 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections  
6 101 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L.  
7 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
8 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311,  
9 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
10 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, applies for  
11 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
12 Internal Revenue Code enacted after December 31, 1999, do not apply to this  
13 subdivision with respect to taxable years that begin after December 31, 1999, and  
14 before January 1, 2003, except that changes to the Internal Revenue Code made by  
15 P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.  
16 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116,  
17 P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L.  
18 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27, excluding  
19 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.  
20 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
21 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
22 and 910 of P.L. 108-357, and changes that indirectly affect the provisions applicable  
23 to this subchapter made by P.L. 106-230, P.L. 106-554, excluding sections 162 and  
24 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16,  
25 P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and

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## SECTION 1360

1 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L.  
2 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
3 section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307,  
4 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201,  
5 244, 336, 337, 909, and 910 of P.L. 108-357, apply for Wisconsin purposes at the same  
6 time as for federal purposes.

7 **SECTION 1361.** 71.26 (2) (b) 16. of the statutes is amended to read:

8 71.26 (2) (b) 16. For taxable years that begin after December 31, 2002, and  
9 before January 1, 2004, for a corporation, conduit, or common law trust which  
10 qualifies as a regulated investment company, real estate mortgage investment  
11 conduit, real estate investment trust, or financial asset securitization investment  
12 trust under the Internal Revenue Code as amended to December 31, 2002, excluding  
13 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
14 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
15 1605 (d) of P.L. 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
16 106-573, section 431 of P.L. 107-16, and section 101 of P.L. 107-147, and as amended  
17 by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,  
18 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
19 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
20 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336,  
21 337, 909, and 910 of P.L. 108-357, and P.L. 108-375, and as indirectly affected in the  
22 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
23 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
24 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
25 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1361

1 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
2 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
3 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
4 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
5 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
6 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101  
7 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L.  
8 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
9 section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173,  
10 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
11 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
12 and 910 of P.L. 108-357, and P.L. 108-375, "net income" means the federal regulated  
13 investment company taxable income, federal real estate mortgage investment  
14 conduit taxable income, federal real estate investment trust or financial asset  
15 securitization investment trust taxable income of the corporation, conduit, or trust  
16 as determined under the Internal Revenue Code as amended to December 31, 2002,  
17 excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171  
18 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
19 1605 (d) of P.L. 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
20 106-573, section 431 of P.L. 107-16, and section 101 of P.L. 107-147, and as amended  
21 by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,  
22 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
23 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
24 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336,  
25 337, 909, and 910 of P.L. 108-357, and P.L. 108-375, and as indirectly affected in the

**ENGROSSED ASSEMBLY BILL 100****SECTION 1361**

1 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
2 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
3 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
4 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
5 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
6 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
7 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
8 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
9 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
10 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101  
11 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L.  
12 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding  
13 section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173,  
14 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
15 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
16 and 910 of P.L. 108-357, and P.L. 108-375, except that property that, under s. 71.02  
17 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986  
18 under the Internal Revenue Code as amended to December 31, 1980, shall continue  
19 to be depreciated under the Internal Revenue Code as amended to  
20 December 31, 1980, and except that the appropriate amount shall be added or  
21 subtracted to reflect differences between the depreciation or adjusted basis for  
22 federal income tax purposes and the depreciation or adjusted basis under this  
23 chapter of any property disposed of during the taxable year. The Internal Revenue  
24 Code as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L.  
25 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,

**ENGROSSED ASSEMBLY BILL 100****SECTION 1361**

1 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519,  
2 sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, and  
3 section 101 of P.L. 107-147, and as amended by P.L. 108-27, excluding sections 106,  
4 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
5 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.  
6 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L.  
7 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
8 and P.L. 108-375, and as indirectly affected in the provisions applicable to this  
9 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
10 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
11 and 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, and P.L. 107-358, P.L. 108-27, excluding  
20 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.  
21 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.  
22 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
23 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
24 P.L. 108-357, and P.L. 108-375, applies for Wisconsin purposes at the same time as  
25 for federal purposes. Amendments to the Internal Revenue Code enacted after

**ENGROSSED ASSEMBLY BILL 100****SECTION 1361**

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

15 **SECTION 1362.** 71.26 (2) (b) 17. of the statutes is created to read:

16 71.26 (2) (b) 17. For taxable years that begin after December 31, 2003, and  
17 before January 1, 2005, for a corporation, conduit, or common law trust which  
18 qualifies as a regulated investment company, real estate mortgage investment  
19 conduit, real estate investment trust, or financial asset securitization investment  
20 trust under the Internal Revenue Code as amended to December 31, 2003, excluding  
21 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
22 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
23 1605 (d) of P.L. 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
24 106-573, section 431 of P.L. 107-16, section 101 of P.L. 107-147, sections 106, 201,  
25 and 202 of P.L. 108-27, section 109 of P.L. 108-121, and section 1201 of P.L. 108-173,

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1 and as amended by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
2 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201,  
3 244, 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, and as  
4 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
5 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
6 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
7 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
8 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
9 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
10 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
11 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
12 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
13 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
14 107-147, excluding section 101 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
15 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
16 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding  
17 section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding  
18 sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding  
19 sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L.  
20 108-476, "net income" means the federal regulated investment company taxable  
21 income, federal real estate mortgage investment conduit taxable income, federal real  
22 estate investment trust or financial asset securitization investment trust taxable  
23 income of the corporation, conduit, or trust as determined under the Internal  
24 Revenue Code as amended to December 31, 2003, excluding sections 103, 104, and  
25 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.

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1 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
2 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.  
3 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section  
4 109 of P.L. 108-121, and section 1201 of P.L. 108-173, and as amendeded by P.L.  
5 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
6 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
7 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, and as indirectly affected in the  
8 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
9 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
10 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
11 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
12 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
13 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
14 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
15 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
16 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
17 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101  
18 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
19 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
20 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
21 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
22 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
23 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, except that property that, under  
24 s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years  
25 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980,



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1 shall continue to be depreciated under the Internal Revenue Code as amended to  
2 December 31, 1980, and except that the appropriate amount shall be added or  
3 subtracted to reflect differences between the depreciation or adjusted basis for  
4 federal income tax purposes and the depreciation or adjusted basis under this  
5 chapter of any property disposed of during the taxable year. The Internal Revenue  
6 Code as amended to December 31, 2003, excluding sections 103, 104, and 110 of P.L.  
7 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
8 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519,  
9 sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, section  
10 101 of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 109 of P.L.  
11 108-121, and section 1201 of P.L. 108-173, and as amended by P.L. 108-203, P.L.  
12 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
13 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
14 P.L. 108-357, P.L. 108-375, and P.L. 108-476, and as indirectly affected in the  
15 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
16 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
17 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
18 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
19 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
20 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
21 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
22 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
23 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
24 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101  
25 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,

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1 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
2 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
3 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
4 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
5 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, applies for Wisconsin purposes  
6 at the same time as for federal purposes. Amendments to the Internal Revenue Code  
7 enacted after December 31, 2003, do not apply to this subdivision with respect to  
8 taxable years that begin after December 31, 2003, and before January 1, 2005,  
9 except that changes to the Internal Revenue Code made by P.L. 108-203, P.L.  
10 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
11 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
12 P.L. 108-357, P.L. 108-375, and P.L. 108-476, and changes that indirectly affect the  
13 provisions applicable to this subchapter made by P.L. 108-203, P.L. 108-218, P.L.  
14 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L.  
15 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
16 P.L. 108-375, and P.L. 108-476, apply for Wisconsin purposes at the same time as  
17 for federal purposes.

18 **SECTION 1363.** 71.26 (2) (b) 18. of the statutes is created to read:

19 71.26 (2) (b) 18. For taxable years that begin after December 31, 2004, for a  
20 corporation, conduit, or common law trust which qualifies as a regulated investment  
21 company, real estate mortgage investment conduit, real estate investment trust, or  
22 financial asset securitization investment trust under the Internal Revenue Code as  
23 amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102-227,  
24 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections  
25 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and

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1 section 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of  
2 P.L. 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27,  
3 section 1201 of P.L. 108-173, sections 306, 308, 401, and 403 (a) of P.L. 108-311, and  
4 sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly  
5 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,  
6 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508,  
7 P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
8 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
9 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.  
10 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
11 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
12 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
13 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
14 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
15 excluding section 101 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.  
16 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
17 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.  
18 108-218, P.L. 108-311, excluding sections 306, 308, 401, and 403 (a) of P.L. 108-311,  
19 P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L.  
20 108-357, P.L. 108-375, and P.L. 108-476, "net income" means the federal regulated  
21 investment company taxable income, federal real estate mortgage investment  
22 conduit taxable income, federal real estate investment trust or financial asset  
23 securitization investment trust taxable income of the corporation, conduit, or trust  
24 as determined under the Internal Revenue Code as amended to December 31, 2004,  
25 excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171

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1 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
2 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165  
3 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, section 101 of P.L. 107-147,  
4 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,  
5 308, 401, and 403 (a) of P.L. 108-311, and sections 101, 201, 244, 336, 337, 909, and  
6 910 of P.L. 108-357, and as indirectly affected in the provisions applicable to this  
7 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
8 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
9 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
10 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
11 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
12 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
13 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
14 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
15 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.  
16 107-116, P.L. 107-134, P.L. 107-147, excluding section 101 of P.L. 107-147, P.L.  
17 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections  
18 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201  
19 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
20 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244,  
21 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, except that  
22 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
23 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to  
24 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
25 Code as amended to December 31, 1980, and except that the appropriate amount

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1 shall be added or subtracted to reflect differences between the depreciation or  
2 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
3 under this chapter of any property disposed of during the taxable year. The Internal  
4 Revenue Code as amended to December 31, 2004, 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, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
7 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
8 106-573, section 431 of P.L. 107-16, section 101 of P.L. 107-147, sections 106, 201,  
9 and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 401, and 403  
10 (a) of P.L. 108-311, and sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
11 and as indirectly affected in the provisions applicable to this subchapter by P.L.  
12 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.  
13 101-239, P.L. 101-508, 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. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
17 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.  
18 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.  
19 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,  
20 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.  
21 107-134, P.L. 107-147, excluding section 101 of P.L. 107-147, P.L. 107-181, P.L.  
22 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
23 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
24 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 401,  
25 and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337,

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## SECTION 1363

1 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, applies for Wisconsin  
2 purposes at the same time as for federal purposes. Amendments to the Internal  
3 Revenue Code enacted after December 31, 2004, do not apply to this subdivision with  
4 respect to taxable years that begin after December 31, 2004.

5 **SECTION 1365.** 71.28 (1di) (b) 1. of the statutes is repealed.

6 **\*-0402/7.6\*SECTION 1366.** 71.28 (1dL) (c) 1. of the statutes is repealed.

7 **\*-0402/8\*SECTION 1367.** 71.28 (1dL) (c) 2. of the statutes is renumbered 71.28  
8 (1dL) (c).

9 **\*-0402/8\*SECTION 1368.** 71.28 (1dL) (d) of the statutes is amended to read:

10 71.28 (1dL) (d) Except as provided in par. (c) 2., the carry-over provisions of  
11 sub. (4) (e) and (f) as they relate to the credit under that subsection relate to the credit  
12 under this subsection and apply as if the development zone continued to exist.

13 **SECTION 1369.** 71.28 (1dm) (hm) of the statutes is amended to read:

14 71.28 (1dm) (hm) Credits claimed A claimant may claim the credit under this  
15 subsection, including any credits carried over, may be offset only against the amount  
16 of the tax otherwise due under this subchapter attributable to income from the  
17 business operations of the claimant in the development zone; except that a claimant  
18 in a development zone under s. 560.795 (1) (e) may offset credits, including any  
19 credits carried over, against the amount of the tax otherwise due under this  
20 subchapter attributable to all of the claimant's income; and against the tax  
21 attributable to income from directly related business operations of the claimant.

22 **SECTION 1370.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

23 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides  
24 in an empowerment zone, or an enterprise community, that the U.S. government  
25 designates area designated by the federal government as an economic revitalization

## ENGROSSED ASSEMBLY BILL 100

## SECTION 1370

1 area, a person who is employed in an unsubsidized job but meets the eligibility  
2 requirements under s. 49.145 (2) and (3) for a Wisconsin ~~works~~ Works employment  
3 position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), a  
4 person who is eligible for child care assistance under s. 49.155, a person who is a  
5 vocational rehabilitation referral, an economically disadvantaged youth, an  
6 economically disadvantaged veteran, a supplemental security income recipient, a  
7 general assistance recipient, an economically disadvantaged ex-convict, a qualified  
8 summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as  
9 defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified  
10 in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub.  
11 (1dj) (am) 2.

12 **SECTION 1371.** 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

13 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and  
14 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person  
15 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3),  
16 560.797 (4) or 560.798 (3), any person may claim as a credit against the taxes imposed  
17 ~~on the person's income from the person's business activities in a development zone~~  
18 otherwise due under this chapter the following amounts:

19 **SECTION 1376.** 71.28 (2m) (a) 1. b. of the statutes is amended to read:

20 71.28 (2m) (a) 1. b. For partnerships, except publicly traded partnerships  
21 treated as corporations under s. 71.22 (1) (1k), or limited liability companies, except  
22 limited liability companies treated as corporations under s. 71.22 (1) (1k), "claimant"  
23 means each individual partner or member.

24 **SECTION 1377.** 71.28 (3n) (title) of the statutes is amended to read:

25 71.28 (3n) (title) DAIRY AND LIVESTOCK FARM INVESTMENT CREDIT.

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**SECTION 1381b**

1 **SECTION 1381b.** 71.28 (3n) (a) 2. (intro.) of the statutes is amended to read:

2 71.28 (3n) (a) 2. (intro.) "Dairy farm modernization or expansion" means the  
3 construction, the improvement, or the acquisition of buildings or facilities, or  
4 acquiring equipment, for dairy animal housing, confinement, animal feeding, milk  
5 production, or waste management, including the following, if used exclusively  
6 related to dairy animals and if acquired and placed in service in this state during  
7 taxable years that begin after December 31, 2003, and before January 1, 2010:

8 **SECTION 1381c.** 71.28 (3n) (a) 4. of the statutes is created to read:

9 71.28 (3n) (a) 4. "Livestock" means cattle, not including dairy animals; swine;  
10 poultry, not including farm-raised game birds or ratites; fish that are raised in  
11 aquaculture facilities; sheep; and goats.

✓  
INS B

12 **SECTION 1381d.** 71.28 (3n) (a) 5. of the statutes is created to read:

13 71.28 (3n) (a) 5. "Livestock farm modernization or expansion" means the  
14 construction, the improvement, or the acquisition of buildings or facilities, or the  
15 acquisition of equipment, for livestock housing, confinement, feeding, or waste  
16 management, including the following, if used exclusively related to livestock and if  
17 acquired and placed in service in this state during taxable years that begin after  
18 December 31, 2005, and before January 1, 2012:

19 a. Birthing structures.

20 b. Rearing structures.

21 c. Feedlot structures.

22 d. Feed storage and handling equipment.

23 e. Fences.

24 f. Watering facilities.

25 g. Scales.



## ENGROSSED ASSEMBLY BILL 100

## SECTION 1381d

1 h. Manure pumping and storage facilities.

2 i. Digesters.

3 j. Equipment used to produce energy.

4 k. Fish hatchery buildings.

5 l. Fish processing buildings.

6 m. Fish rearing ponds.

7 **SECTION 1381e.** 71.28 (3n) (a) 6. of the statutes is created to read:

8 71.28 (3n) (a) 6. a. For taxable years that begin after December 31, 2003, and  
9 before January 1, 2006, "used exclusively," related to dairy animals, means used to  
10 the exclusion of all other uses except for use not exceeding 5 percent of total use.

11 b. For taxable years that begin after December 31, 2005, and before January  
12 1, 2010, "used exclusively," related to livestock, dairy animals, or both, means used  
13 to the exclusion of all other uses except for use not exceeding 5 percent of total use.

14 c. For taxable years that begin after December 31, 2009, and before January  
15 1, 2012, "used exclusively," related to livestock, means used to the exclusion of all  
16 other uses except for use not exceeding 5 percent of total use.

17 **SECTION 1382b.** 71.28 (3n) (b) of the statutes is renumbered 71.28 (3n) (b) 1.

18 **SECTION 1382c.** 71.28 (3n) (b) 2. of the statutes is created to read:

19 71.28 (3n) (b) 2. Subject to the limitations provided in this subsection, for  
20 taxable years that begin after December 31, 2005, and before January 1, 2012, a  
21 claimant may claim as a credit against the tax imposed under s. 71.23 an amount  
22 equal to 10 percent of the amount the claimant paid in the taxable year for livestock  
23 farm modernization or expansion related to the operation of the claimant's livestock  
24 farm.

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## SECTION 1382d

1           **SECTION 1382d.** 71.28 (3n) (e) of the statutes is renumbered 71.28 (3n) (e) 1.  
2 and amended to read:

3           71.28 (3n) (e) 1. Partnerships, limited liability companies, and tax-option  
4 corporations may not claim the credit under this subsection, but the eligibility for,  
5 and the amount of, the credit are based on their payment of expenses under par. (b),  
6 except that the aggregate amount of credits that the entity may compute shall not  
7 exceed \$50,000. A partnership, limited liability company, or tax-option corporation  
8 shall compute the amount of credit that each of its partners, members, or  
9 shareholders may claim and shall provide that information to each of them.  
10 Partners, members of limited liability companies, and shareholders of tax-option  
11 corporations may claim the credit in proportion to their ownership interest.

12           **SECTION 1382e.** 71.28 (3n) (e) 2. of the statutes is created to read:

13           71.28 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock  
14 farm, each person may claim a credit under par. (b) in proportion to his or her  
15 ownership interest, except that the aggregate amount of the credits claimed by all  
16 persons who own and operate the farm shall not exceed \$50,000.

17           **SECTION 1383.** 71.28 (4) (a) of the statutes is amended to read:

18           71.28 (4) (a) *Credit.* Any corporation may credit against taxes otherwise due  
19 under this chapter an amount equal to 5% of the amount obtained by subtracting  
20 from the corporation's qualified research expenses, as defined in section 41 of the  
21 internal revenue code, except that "qualified research expenses" includes only  
22 expenses incurred by the claimant, incurred for research conducted in this state for  
23 the taxable year, except that a taxpayer may elect the alternative computation under  
24 section 41 (c) (4) of the Internal Revenue Code and that election applies until the  
25 department permits its revocation and except that "qualified research expenses"