Part 2

Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and as indirectly affected in the provisions applicable to this subchapter 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the

INSERT 1

Internal Revenue Code enacted after December 31, 1998, do not apply to this subdivision with respect to taxable years that begin after December 31, 1998, and before January 1, 2000, except that changes to the Internal Revenue Code made by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 1

SECTION 38. 71.26 (2) (b) 15. of the statutes is amended to read:

71.26 **(2)** (b) 15. For taxable years that begin after December 31, 1999, and before January 1, 2003, for a corporation, conduit or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~

P.L. 108-218,

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

INSERT 4

P.L. 108-218,

107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~ P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, (INSERT 3) and P.L. 108–357, (INSERT 4) and as indirectly affected in the provisions applicable to this subchapter 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, (INSERT 3) and P.L. 108–357, (INSERT 4) except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203

P.L. 108-218,

(d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 and as indirectly affected in the provisions applicable to this subchapter 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, and P.L. 108–357, applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1999, do not apply to this subdivision with respect to taxable years that begin after December 31, 1999, and before January 1, 2003, except that changes to the Internal Revenue Code made by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165

INSERT 3

INSERT 4

P.L. 108-218,

of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, (INSERT 3) and P.L. 108–357, (INSERT 4) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, and P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes. (INSERT 3) (INSERT 4)

SECTION 39. 71.26 (2) (b) 16. of the statutes is amended to read:

71.26 **(2)** (b) 16. For taxable years that begin after December 31, 2002, and before January 1, 2004, for a corporation, conduit, or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust, or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, and section 101 of P.L. 107–147, and as amended by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L.

P.L. 108-203, P.L. 108-218,

INSERT 3 INSERT 4

1 108–173, P.L. 108–311, and P.L. 108–357, and as indirectly affected in the provisions
2 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.
3 101–73, 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. 105–178, P.L. 105–206, P.L.
9 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections
10 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L.
11 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101
12 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~ P.L. 107–358, P.L.
13 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding
14 section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173,
15 P.L. 108–311, and P.L. 108–357, "net income" means the federal regulated
16 investment company taxable income, federal real estate mortgage investment
17 conduit taxable income, federal real estate investment trust or financial asset
18 securitization investment trust taxable income of the corporation, conduit, or trust
19 as determined under the Internal Revenue Code as amended to December 31, 2002,
20 excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171
21 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and
22 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L.
23 106–573, section 431 of P.L. 107–16, and section 101 of P.L. 107–147, and as amended
24 by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121,
25 excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L.

INSERT 3 INSERT 4

P.L. 108-203, P.L. 108-218,

INSERT 3 INSERT 4

108–173, P.L. 108–311, and P.L. 108–357, and as indirectly affected in the provisions applicable to this subchapter 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~ P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, and P.L. 108–357, ~~except that~~ property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be ~~depreciated~~ for taxable years 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and

INSERT 3 INSERT 4

P.L. 108-203, P.L. 108-218,

165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, and section 101 of P.L. 107–147, and as amended by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 and as indirectly affected in the provisions applicable to this subchapter 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~ P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 2002, do not apply to this subdivision with respect to taxable years that begin after December 31, 2002, and before January 1, 2004, except that changes to the Internal Revenue Code made by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 and changes that indirectly affect the provisions applicable to this

P.L. 108-203, P.L. 108-218,

subchapter made by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, and P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes. INSERT 3 INSERT 4

SECTION 40. 71.26 (2) (b) 17. of the statutes is created to read:

71.26 **(2)** (b) 17. For taxable years that begin after December 31, 2003, and before January 1, 2005, for a corporation, conduit, or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust, or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 2003, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, ~~and~~ sections 106, 201, and 202 of P.L. 108–27, INSERT 7 and as amended by P.L. 108–311, P.L. 108-203, P.L. 108-218, ~~and~~ P.L. 108–357, INSERT 8 and INSERT 9 as indirectly affected in the provisions applicable to this subchapter 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L.

P.L. 108-203, P.L. 108-218,

107–147, excluding section 101 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, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 8 and P.L. 108–357, INSERT 9 "net income" means the federal regulated investment company taxable income, federal real estate mortgage investment conduit taxable income, federal real estate investment trust or financial asset securitization investment trust taxable income of the corporation, conduit, or trust as determined under the Internal Revenue Code as amended to December 31, 2003, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, ~~and~~ sections 106, 201, and 202 of P.L. 108–27, INSERT 7 and as amended by P.L. 108–311, ~~and~~ P.L. 108–357, INSERT 8 and as indirectly affected in the provisions applicable to this subchapter INSERT 9 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 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, excluding sections 106, 201, and

P.L. 108-203, P.L. 108-218,

1 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173,
2 excluding section 1201 of P.L. 108–173, P.L. 108–311, ~~and~~ INSERT 8 P.L. 108–357, INSERT 9 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, 2003, 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, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
13 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L.
14 107–16, section 101 of P.L. 107–147, ~~and~~ sections 106, 201, and 202 of P.L. 108–27, INSERT 7
15 and as amended by P.L. 108–311, ~~and~~ INSERT 8 P.L. 108–357, INSERT 9 and as indirectly affected in the
16 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647,
17 P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
18 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
19 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
20 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
21 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
22 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
23 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections
24 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L.
25 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101

P.L. 108-203, P.L. 108-218,

INSERT 8

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, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, ~~and~~ P.L. 108–357, applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 2003, do not apply to this subdivision with respect to taxable years that begin after December 31, 2003, and before January 1, 2005, except that changes to the Internal Revenue Code made by ~~P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173,~~ P.L. 108–311, ~~and~~ P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by ~~P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173,~~ P.L. 108–311, ~~and~~ P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 9

INSERT 9

SECTION 41. 71.26 (2) (b) 18. of the statutes is created to read:

71.26 **(2)** (b) 18. For taxable years that begin after December 31, 2004, for a corporation, conduit, or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust, or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, ~~and~~ section 1201 of P.L.

sections 1, 3, 4, and 5 of

INSERT 11

1 108–173, and as indirectly affected in the provisions applicable to this subchapter
2 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,
3 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.
4 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150
5 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.
6 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),
7 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.
8 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.
9 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,
10 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.
11 107–134, P.L. 107–147, excluding section 101 of P.L. 107–147, P.L. 107–181, P.L.
12 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and
13 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L.
14 108–173, P.L. 108–311, INSERT 8 ~~and~~ P.L. 108–357, INSERT 9 "net income" means the federal regulated
15 investment company taxable income, federal real estate mortgage investment
16 conduit taxable income, federal real estate investment trust or financial asset
17 securitization investment trust taxable income of the corporation, conduit, or trust
18 as determined under the Internal Revenue Code as amended to December 31, 2004,
19 excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171
20 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and
21 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L.
22 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, sections 106, 201,
23 and 202 of P.L. 108–27, ~~and~~ section 1201 of P.L. 108–173, INSERT 11 and as indirectly affected
24 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.
25 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.

P.L. 108-203, P.L. 108-218,

P.L. 108-203, P.L. 108-218, ← PLAIN

102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 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, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, ~~and~~ INSERT 8 P.L. 108–357, INSERT 9 except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, ~~and~~ section 1201 of P.L. 108–173, and as indirectly affected INSERT 11 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.

P.L. 108-203, P.L. 108-218,

100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 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, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, ~~and~~ P.L. 108–357, applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 2004, do not apply to this subdivision with respect to taxable years that begin after December 31, 2004.

INSERT 8

INSERT 9

SECTION 42. 71.34 (1g) (j) of the statutes is repealed.

SECTION 43. 71.34 (1g) (k) of the statutes is repealed.

SECTION 44. 71.34 (1g) (L) of the statutes is amended to read:

71.34 **(1g)** (L) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 1996, and before January 1, 1998, means the federal Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L. 105–206,

P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, except that section 1366 (f) (relating to pass–through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1996, do not apply to this paragraph with respect to taxable years beginning after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.

INSERT 1

107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 1

SECTION 45. 71.34 (1g) (m) of the statutes is amended to read:

71.34 **(1g)** (m) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 1997, and before January 1, 1999, means the federal Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. ~~and~~ 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.

INSERT 1

103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, except that section 1366 (f) (relating to pass–through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 1

SECTION 46. 71.34 (1g) (n) of the statutes is amended to read:

71.34 **(1g)** (n) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 1998, and before January 1, 2000, means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, except that section 1366 (f) (relating to pass–through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin

INSERT 1

purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1998, do not apply to this paragraph with respect to taxable years beginning after December 31, 1998, and before January 1, 2000, except that changes to the Internal Revenue Code made by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 1

SECTION 47. 71.34 (1g) (o) of the statutes is amended to read:

71.34 **(1g)** (o) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 1999, and before January 1, 2003, means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107.22, P.L. 107.116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121,

P.L. 108-218, ← Score

INSERT 3 INSERT 4

1 excluding section 109 of P.L. 108–121, P.L. 108–311, and P.L. 108–357, and as
2 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.
3 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821
4 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L.
5 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
6 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
7 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
8 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
9 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
10 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
11 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections
12 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L.
13 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections
14 101 and 406 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~ P.L.
15 107–358, P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L.
16 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, and P.L. 108–357,
17 except that section 1366 (f) (relating to pass–through of items to shareholders) is
18 modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and
19 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time
20 as for federal purposes. Amendments to the federal Internal Revenue Code enacted
21 after December 31, 1999, do not apply to this paragraph with respect to taxable years
22 beginning after December 31, 1999, and before January 1, 2003, except that changes
23 to the Internal Revenue Code made by P.L. 106–230, P.L. 106–554, excluding sections
24 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L.
25 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections

INSERT 3 INSERT 4

P.L. 108-218, score

101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, and P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, and P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 3 INSERT 4 INSERT 3 INSERT 4

SECTION 48. 71.34 (1g) (p) of the statutes is amended to read:

71.34 **(1g)** (p) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 2002, and before January 1, 2004, means the federal Internal Revenue Code as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, and section 101 of P.L. 107–147, and as amended by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, and P.L. 108–357, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,

INSERT 4

INSERT 3

P.L. 108-203, P.L. 108-218,

P.L. 108-203, P.L. 108-218,

P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~ P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 except that section 1366 (f) (relating to pass–through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2002, do not apply to this paragraph with respect to taxable years beginning after December 31, 2002, and before January 1, 2004, except that changes to the Internal Revenue Code made by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 5 and P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173,

INSERT 3 INSERT 4

1 P.L. 108–311, and P.L. 108–357, apply for Wisconsin purposes at the same time as
2 for federal purposes.

3 **SECTION 49.** 71.34 (1g) (q) of the statutes is created to read:

4 71.34 **(1g)** (q) "Internal Revenue Code" for tax–option corporations, for taxable
5 years that begin after December 31, 2003, and before January 1, 2005, means the
6 federal Internal Revenue Code as amended to December 31, 2003, excluding sections
7 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and
8 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
9 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section
10 431 of P.L. 107–16, section 101 of P.L. 107–147, ~~and~~ sections 106, 201, and 202 of P.L.
11 108–27, and as amended by P.L. 108–311 ~~and~~ P.L. 108–357, and as indirectly affected
12 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.
13 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823
14 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L.
15 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections
16 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding
17 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L.
18 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections
19 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L.
20 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.
21 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of
22 P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L.
23 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 of P.L.
24 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27,
25 excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section

INSERT 7 P.L. 108-203, P.L. 108-218, INSERT 8 INSERT 9

P.L. 108-203, P.L. 108-218,

109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 8 and P.L. 108–357, INSERT 9 except that section 1366 (f) (relating to pass–through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2003, do not apply to this paragraph with respect to taxable years beginning after December 31, 2003, and before January 1, 2005, except that changes to the Internal Revenue Code made by ~~P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173,~~ P.L. 108–311, ~~and~~ INSERT 8 P.L. 108–357, INSERT 9 and changes that indirectly affect the provisions applicable to this subchapter made by ~~P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173,~~ P.L. 108–311, ~~and~~ INSERT 8 P.L. 108–357, INSERT 9 excluding section 1201 of P.L. 108.

SECTION 50. 71.34 (1g) (r) of the statutes is created to read:

71.34 **(1g)** (r) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 2004, means the federal Internal Revenue Code as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, ~~and~~ section 1201 of P.L. 108–173, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008

INSERT 11

P.L. 108-203, P.L. 108-218,

(g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 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, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 8 ~~and~~ P.L. 108–357, INSERT 9 except that section 1366 (f) (relating to pass–through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2004, do not apply to this paragraph with respect to taxable years beginning after December 31, 2004.

SECTION 51. 71.42 (2) (i) of the statutes is repealed.

SECTION 52. 71.42 (2) (j) of the statutes is repealed.

SECTION 53. 71.42 (2) (k) of the statutes is amended to read:

71.42 **(2)** (k) For taxable years that begin after December 31, 1996, and before January 1, 1998, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66

INSERT 1

and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and as indirectly affected 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1996, do not apply to this paragraph with respect to taxable years beginning after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121,

and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 1

SECTION 54. 71.42 (2) (L) of the statutes is amended to read:

71.42 **(2)** (L) For taxable years that begin after December 31, 1997, and before January 1, 1999, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and as indirectly affected 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.

INSERT 1

107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 55. 71.42 (2) (m) of the statutes is amended to read:

71.42 **(2)** (m) For taxable years that begin after December 31, 1998, and before January 1, 2000, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding

INSERT 1

1 sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L.
2 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147,
3 P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L.
4 108–121, and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.
5 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
6 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
7 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
8 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
9 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
10 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
11 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections
12 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L.
13 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181,
14 ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, except
15 that "Internal Revenue Code" does not include section 847 of the federal Internal
16 Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the
17 same time as for federal purposes. Amendments to the federal Internal Revenue
18 Code enacted after December 31, 1998, do not apply to this paragraph with respect
19 to taxable years beginning after December 31, 1998, and before January 1, 2000,
20 except that changes to the Internal Revenue Code made by P.L. 106–36, P.L.
21 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,
22 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147,
23 excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~
24 P.L. 108–121, excluding section 109 of P.L. 108–121, and changes that indirectly
25 affect the provisions applicable to this subchapter made by P.L. 106–36, P.L.

106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L. 107–181, ~~and~~ P.L. 107–276, ~~and~~ P.L. 108–121, excluding section 109 of P.L. 108–121, apply for Wisconsin purposes at the same time as for federal purposes.

INSERT 1

SECTION 56. 71.42 (2) (n) of the statutes is amended to read:

71.42 **(2)** (n) For taxable years that begin after December 31, 1999, and before January 1, 2003, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, and P.L. 108–357, and as indirectly affected 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,

INSERT 3 INSERT 4

P.L. 108-218,

P.L. 108-218,

P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1999, do not apply to this paragraph with respect to taxable years beginning after December 31, 1999, and before January 1, 2003, except that changes to the Internal Revenue Code made by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 57. 71.42 (2) (o) of the statutes is amended to read:

P.L. 108-203, P.L. 108-218,

71.42 **(2)** (o) For taxable years that begin after December 31, 2002, and before January 1, 2004, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, and section 101 of P.L. 107–147, and as amended by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, (INSERT 3) P.L. 108–311, and P.L. 108–357, (INSERT 4) and as indirectly affected 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, ~~and~~ P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, (INSERT 3) and P.L. 108–357, (INSERT 4) except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes.

P.L. 108-203, P.L. 108-218,

P.L. 108-203, P.L. 108-218,

Amendments to the federal Internal Revenue Code enacted after December 31, 2002, do not apply to this paragraph with respect to taxable years beginning after December 31, 2002, and before January 1, 2004, except that changes to the Internal Revenue Code made by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 3 and P.L. 108–357, INSERT 4 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, and P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes. INSERT 3 INSERT 4

SECTION 58. 71.42 (2) (p) of the statutes is created to read:

71.42 **(2)** (p) For taxable years that begin after December 31, 2003, and before January 1, 2005, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 2003, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, ~~and~~ sections 106, 201, and 202 of P.L. 108–27, and as amended by P.L. 108–311, ~~and~~ P.L. 108–357, INSERT 9 and as indirectly affected 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 INSERT 7 INSERT 8

P.L. 108-203, P.L. 108-218,

P.L. 108-203, P.L. 108-218,

(d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 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, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, ~~and~~ INSERT 8 P.L. 108–357, INSERT 9 except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2003, do not apply to this paragraph with respect to taxable years beginning after December 31, 2003, and before January 1, 2005, except that changes to the Internal Revenue Code made by ~~P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173,~~ P.L. 108–311, ~~and~~ INSERT 8 P.L. 108–357, and changes INSERT 9 that indirectly affect the provisions applicable to this subchapter made by ~~P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173,~~ P.L. 108–311, ~~and~~ P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes. INSERT 8 INSERT 9

SECTION 59. 71.42 (2) (q) of the statutes is created to read:

71.42 **(2)** (q) For taxable years that begin after December 31, 2004, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102–227, sections

P.L. 108-203, P.L. 108-218, section 1,3,4, and 5 of

13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section 101 of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, ~~and~~ section 1201 of P.L. 108–173, INSERT 11 and as indirectly affected 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, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101 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, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–311, INSERT 8 ~~and~~ P.L. 108–357, INSERT 9 except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2004, do not apply to this paragraph with respect to taxable years beginning after December 31, 2004.

SECTION 9341. Initial applicability; revenue.

INSERT 80-22

1 (1) MARRIED PERSONS TAX LIABILITY. The treatment of section 71.10 (6) (a) and
2 (b) and (6m) (a) of the statutes first applies to tax liability that arises on the effective
3 date of this subsection or that remains unpaid on the effective date of this subsection.
4 **(END)**

INSERT 81-3

2005–2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

SA ✓

INSERT A

This bill adopts, for state income and franchise tax purposes, changes made to the Internal Revenue Code by Public Law 108–27, the Jobs and Growth Tax Relief Reconciliation Act, not including changes related to bonus depreciation and expensing provisions and an increase in the alternative minimum tax exemption; Public Law 108–121, the Military Family Tax Relief Act; Public Law 108–173, the Medicare Prescription Drug, Improvement and Modernization Act, not including changes related to health savings accounts; Public Law 108–203, the Social Sercurity Protection Act; Public Law 108–218, the Pension Funding Equity Act; Public Law 108–311, the Working Families Tax Relief Act, not including changes related to deductions for charitable contributions of computer equipment and expensing provisions related to brownfields remediation costs; Public Law 108–357, the American Jobs Creation Act, not including changes related to the expensing of film and television production costs; and Public Law 108–476, the YMCA Retirement Fund.

INSERT 1

1 no ¶ P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311,
2 and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L.
3 108–357,

INSERT 2

4 no ¶ P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311,
5 and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L.
6 108–357

INSERT 3

7 no ¶ excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311,

INSERT 4

8 no ¶ excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357,

INSERT 5

9 no ¶ , excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357

INSERT 6

1 excluding sections 162 and 165 of P.L. 106–554,

INSERT 7

2 section 109 of P.L. 108–121, and section 1201 of P.L. 108–173,

INSERT 8

3 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311,

INSERT 9

4 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and
5 P.L. 108–476,

INSERT 10

6 , excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and
7 P.L. 108–476

INSERT 11

8 sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and sections 101, 201,
9 244, 336, 337, 909, and 910 of P.L. 108–357,

INSERT 12 – 10

10 **SECTION 1.** 71.05 (22) (f) 4. a. of the statutes is amended to read:

11 71.05 **(22)** (f) 4. a. For taxable years beginning after December 31, 1997, in the
12 case of a taxpayer with respect to whom a ~~deduction~~ under ~~s. 71.07 (8)~~ sub. (23) (b)
13 2. is allowable to another person, the Wisconsin standard deduction shall be the
14 lesser of the amount under subd. 4. b. or one of the amounts calculated under subd.
15 4. c., whichever amount under subd. 4. c. is greater.

History: 1987 a. 312; 1987 a. 411 ss. 42, 43, 45, 47 to 49, 51 to 53; 1989 a. 31, 46; 1991 a. 2, 37, 39, 269; 1993 a. 16, 112, 204, 263, 437; 1995 a. 27, 56, 209, 227, 261, 371, 403, 453; 1997 a. 27, 35, 39, 237; 1999 a. 9, 32, 44, 54, 65, 167; 2001 a. 16, 104, 105, 109; 2003 a. 85, 99, 119, 135, 183, 255, 289, 321, 326.

16 **SECTION 2.** 71.05 (22) (g) of the statutes is amended to read:

modified under par. (f) 4. in the manner described

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

History: 1987 a. 312; 1987 a. 411 ss. 42, 43, 45, 47 to 49, 51 to 53; 1989 a. 31, 46; 1991 a. 2, 37, 39, 269; 1993 a. 16, 112, 204, 263, 437; 1995 a. 27, 56, 209, 227, 261, 371, 403, 453; 1997 a. 27, 35, 39, 237; 1999 a. 9, 32, 44, 54, 65, 167; 2001 a. 16, 104, 105, 109; 2003 a. 85, 99, 119, 135, 183, 255, 289, 321, 326.

SECTION 3. 71.05 (22) (h) of the statutes is amended to read:

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

History: 1987 a. 312; 1987 a. 411 ss. 42, 43, 45, 47 to 49, 51 to 53; 1989 a. 31, 46; 1991 a. 2, 37, 39, 269; 1993 a. 16, 112, 204, 263, 437; 1995 a. 27, 56, 209, 227, 261, 371, 403, 453; 1997 a. 27, 35, 39, 237; 1999 a. 9, 32, 44, 54, 65, 167; 2001 a. 16, 104, 105, 109; 2003 a. 85, 99, 119, 135, 183, 255, 289, 321, 326.

INSERT 80 – 22

SECTION 4. 78.005 (14) of the statutes is amended to read:

1 78.005 **(14)** "Supplier" includes a person who imports, or acquires immediately
2 upon import, motor vehicle fuel by pipeline or marine vessel from a state, territory
3 or possession of the United States or from a foreign country into a terminal and who
4 is registered under 26 USC 4101 for tax–free transactions in gasoline. "Supplier"
5 also includes a person who produces in this state; or imports into a terminal or bulk
6 plant; or acquires immediately upon import by truck, railcar or barge into a terminal;
7 alcohol or alcohol derivative substances. "Supplier" also includes a person who
8 produces, manufactures or refines motor vehicle fuel in this state. "Supplier" also
9 includes a person who acquires motor vehicle fuel pursuant to an industry terminal
10 exchange agreement or by a 2 hyph party exchange under section 4105 of the Internal
11 Revenue Code. "Supplier" does not include a retail dealer or wholesaler who merely
12 blends alcohol with gasoline before the sale or distribution of the product. "Supplier"
13 does not include a terminal operator who merely handles in a terminal motor vehicle
14 fuel consigned to the terminal operator.

History: 1993 a. 16 ss. 1829 to 1845, 1860, 1862, 1863, 1867; 1993 a. 437; 1995 a. 113; 1997 a. 27, 35.

15 **SECTION 5.** 168.01 (2) of the statutes is amended to read:

16 168.01 **(2)** "Supplier" includes a person who imports, or acquires immediately
17 upon import, petroleum products by pipeline or marine vessel from a state, territory
18 or possession of the United States or from a foreign country into a terminal and who
19 is registered under 26 USC 4101 for tax–free transactions in gasoline. "Supplier"
20 also includes a person who produces in this state; or imports into a terminal or bulk
21 plant; or acquires immediately upon import by truck, railcar or barge into a terminal;
22 alcohol or alcohol derivative products. "Supplier" also includes a person who
23 produces, manufactures or refines petroleum products in this state. "Supplier" also
24 includes a person who acquires petroleum products pursuant to an industry terminal

— hyph

1 exchange agreement or by a 2 party exchange under section 4105 of the Internal
2 Revenue Code. "Supplier" does not include a retail dealer or wholesaler who merely
3 blends alcohol with gasoline before the sale or distribution of the product and does
4 not include a terminal operator who merely handles in a terminal petroleum
5 products consigned to the terminal operator.

History: 1971 c. 215; 1995 a. 27ss. 4473 and 9116 (5); 1997 a. 27.

6 **SECTION 9141. Nonstatutory provisions; revenue.**

7 (1) INTERNAL REVENUE CODE. Changes to the Internal Revenue Code made by
8 P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections
9 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357,excluding sections
10 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply to the definitions of
11 "Internal Revenue Code" in chapter 71 of the statutes at the time that those changes
12 apply for federal income tax purposes.

INSERT 81 – 3

13 (2) STANDARD DEDUCTIONS. The treatment of sections 71.05 (22) (f) 4. a., (g), and
14 (h) of the statutes first applies to taxable years beginning on January 1, 2005.

15 (3) MOTOR VEHICLE FUEL SUPPLIER. The treatment of sections 78.005 (14) and
16 168.01 (2) of the statutes first applies to taxable years beginning on January 1, 2005.

Kreye, Joseph

From: Kraus, Jennifer - DOA
Sent: Friday, January 28, 2005 9:12 AM
To: Kreye, Joseph
Cc: Lashore, Patricia M
Subject: FW: LRB Draft: 05-0302/3 Internal Revenue Code update

Importance: High

Joe - Can you still get these in? Jenny

-----Original Message-----
From: Lashore, Patricia M
Sent: Friday, January 28, 2005 9:03 AM
To: Kraus, Jennifer - DOA
Subject: LRB Draft: 05-0302/3 Internal Revenue Code update
Importance: High

Here are the edits to this draft....not too many.

1. Page 8, line 5: After "104-188" insert "and".

2. Page 12, line 23: After "P.L. 108-311," delete "and".

3. Page 13, line 21: After "306," delete "307,".

4. Page 14, line 11: After "306," delete "307,".

5. Page 15, lines 3 and 4: Delete "modified in the manner described under" and insert "and as provided in".

6. Page 15, line 14: Delete "modified in the manner described under" and insert "and as provided in".

7. Page 19, line 22: After "109" insert "of".

8. Page 22, line 10: Before "108-311" insert "P.L.".

9. Page 28, line 8: Before "P.L. 108-357" delete "and".

10. Page 28, line 16: Before "P.L. 108-357" delete "and".

11. Page 29, line 3: Change "section" to "sections".

12. Page 29, line 6: After "306," delete "307,".

13. Page 29, line 23: After "306," delete "307,".

14. Page 39, line 20: After "P.L. 107-147," delete "and".

15. Page 40, lines 22 and 23: Delete the second instance of the phrase "excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311,".

16. Page 41, line 14: After "306," delete "307,".

17. Page 42, line 14: After "306," delete "307,".

18. Page 57, line 19; After "of" delete "P.L. 108-218,".

19. Page 67, line 25: After "306," delete "307,".

20. Page 68, line 15: After "306," delete "307,".

21. Page 69, line 2: After "306," delete "307,".

22. Page 69, line 17: After "306," delete "307,".

23. Page 70, line 6: After "306," delete "307,".

24. Page 70, line 21: After "306," delete "307,".

25. Page 82, line 20: Delete "excluding section 1201 of P.L. 108" and insert "apply for Wisconsin purposes at the same time as for federal purposes".

26. Page 83, line 4: After "306," delete "307,".

27. Page 83, line 21: After "306," delete "307,".

28. Page 95, line 9: After "306," delete "307,".

29. Page 95, line 24: After "306," delete "307,".

30. Page 98, line 2: Change "taxable years" to "tax periods".