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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476. 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.

–1656/3.3 **SECTION 1261.** 71.01 (8g) of the statutes is amended to read:

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

–1656/3.4 **SECTION 1262.** 71.01 (8m) of the statutes is amended to read:

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

–1656/3.5 **SECTION 1263.** 71.01 (10g) of the statutes is created to read:

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

–1656/3.6 **SECTION 1264.** 71.03 (1) of the statutes is amended to read:

71.03 **(1)** DEFINITION. In this section, "gross income" means all income, from whatever source derived and in whatever form realized, whether in money, property or services, which is not exempt from Wisconsin income taxes. "Gross income" includes, but is not limited to, the following items: compensation for services, including salaries, wages and fees, commissions and similar items; gross income derived from business; interest; rents; royalties; dividends; alimony and separate maintenance payments; annuities; income from life insurance and endowment contracts; pensions; income from discharge of indebtedness; distributive shares of partnership gross income except distributive shares of the income of publicly traded partnerships treated as corporations under s. 71.22 ~~(1)~~ (1k); distributive shares of limited liability company gross income except distributive shares of the income of limited liability companies treated as corporations under s. 71.22 ~~(1)~~ (1k); income in respect of a decedent; and income from an interest in an estate or trust. "Gross income" from a business or farm consists of the total gross receipts without reduction for cost of goods sold, expenses or any other amounts. The gross rental amounts received from rental properties are included in gross income without reduction for expenses or any other amounts. "Gross income" from the sale of securities, property or other assets consists of the gross selling price without reduction for the cost of the assets, expenses of sale or any other amounts. "Gross income" from an annuity, retirement plan or profit sharing plan consists of the gross amount received without reduction for the employee's contribution to the annuity or plan.

–1656/3.7 **SECTION 1265.** 71.04 (7) (d) of the statutes is repealed.

–1656/3.8 **SECTION 1266.** 71.04 (7) (db) of the statutes is created to read:

71.04 **(7)** (db) Gross receipts from the lease, rental, or licensing of real property owned by the taxpayer and the sublease of real property are in this state if the real property is located in this state.

–1656/3.9 **SECTION 1267.** 71.04 (7) (dd) of the statutes is created to read:

71.04 **(7)** (dd) 1. Except as provided in subd. 2., gross receipts from the lease, rental, or licensing of tangible personal property owned by the taxpayer and the sublease of tangible personal property are in this state if the property is located in this state during the entire period of lease, rental, licensing, sublease, or other use. If the property is used in and outside this state during the period of lease, rental, licensing, or sublease, gross receipts are in this state to the extent that the property is used in this state. The proportion of use in this state is determined by multiplying the gross receipts from the lease, rental, licensing, sublease, or other use of the property by a fraction having as a numerator the amount of time the property was used in this state in the taxable year and having as a denominator the total time the property was used in all states having jurisdiction to impose an income tax on the taxpayer in the taxable year.

2. Gross receipts from the lease, rental, or licensing of moving property, including motor vehicles, rolling stock, aircraft, vessels, or mobile equipment, owned by the taxpayer and the sublease of moving property are in this state to the extent that the property is used in this state. The proportion of use of moving property in this state is determined as follows:

a. The proportion of use of a motor vehicle or rolling stock in this state is determined by multiplying the gross receipts from the lease, rental, licensing, or sublease of the motor vehicle or rolling stock by a fraction having as a numerator the number of miles traveled within this state by the motor vehicle or rolling stock while

leased, rented, licensed, or subleased in the taxable year and having as a denominator the total number of miles traveled by the motor vehicle or rolling stock while leased, rented, licensed, or subleased in the taxable year.

b. The proportion of use of an aircraft in this state is determined by multiplying the gross receipts from the lease, rental, licensing, or sublease of the aircraft by a fraction having as a numerator the number of takeoffs and landings of the aircraft in this state while leased, rented, licensed, or subleased in the taxable year and having as a denominator the total number of takeoffs and landings of the aircraft while leased, rented, licensed, or subleased in the taxable year.

c. The proportion of use of a vessel or mobile equipment in this state is determined by multiplying the gross receipts from the lease, rental, licensing, or sublease of the vessel or mobile equipment by a fraction having as a numerator the number of days that the vessel or mobile equipment is in this state while leased, rented, licensed, or subleased in the taxable year and having as a denominator the total number of days that the vessel or mobile equipment is leased, rented, licensed, or subleased in the taxable year.

d. If the taxpayer is unable to determine the use of moving property under subd. 2. a., b., or c. while the property is leased, rented, licensed, or subleased in the taxable year, the moving property is conclusively deemed to be used in the state in which the property is located at the time that the lessee, renter, licensee, or sublessee takes possession of the property in the taxable year.

***–1656/3.10* SECTION 1268.** 71.04 (7) (df) of the statutes is created to read:

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

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

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

–1656/3.11 **SECTION 1269.** 71.04 (7) (dg) of the statutes is created to read:

71.04 **(7)** (dg) 1. Gross royalties and other gross receipts received for the sale or use of intangible property, including, but not limited to, patents, copyrights, trademarks, trade names, service names, franchises, licenses, plans, specifications, blueprints, processes, techniques, formulas, designs, layouts, patterns, drawings, manuals, technical know–how, contracts, and customer lists, are in this state if the user, purchaser, or licensee uses the intangible property at a location in this state.

2. Intangible property is used at a location in this state if the user, purchaser, or licensee uses the property in the operation of a trade or business at a location in this state, for personal use in this state, or if the user, purchaser, or licensee is an

individual whose domicile is in this state. If the user, purchaser, or licensee uses the intangible property in more than one state, the gross royalties and other gross receipts from the sale or use of the intangible property shall be divided among those states having jurisdiction to impose an income tax on the taxpayer in proportion to the use of the intangible property in those states. To determine intangible property use in this state, the department may consider the number of licensed sites in each state, the volume of property manufactured, produced, or sold at locations in this state, or any other factors that reflect the use of the intangible property in this state.

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

–1656/3.12 **SECTION 1270.** 71.04 (7) (dh) of the statutes is created to read:

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

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

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

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

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

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

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

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

***-1656/3.13* SECTION 1271.** 71.04 (7) (dm) of the statutes is created to read:

71.04 **(7)** (dm) If the income from sales, other than sales of tangible personal property, properly assignable to this state cannot be ascertained with reasonable certainty by the methods under pars. (db), (dd), (df), (dg), and (dh), the department may promulgate rules that specify how the income shall be apportioned.

***-1656/3.14* SECTION 1272.** 71.04 (7) (e) 12. of the statutes is created to read:

71.04 **(7)** (e) 12. Gross receipts from the sale, licensing, or use of intangible property in the ordinary course of the taxpayer's trade or business.

***-1656/3.15* SECTION 1273.** 71.04 (7) (f) 5. of the statutes is amended to read:

71.04 **(7)** (f) 5. ~~Proceeds~~ Notwithstanding any other provision of this subsection, proceeds and gain or loss from the redemption of securities.

***-1656/3.16* SECTION 1274.** 71.04 (7) (f) 7. of the statutes is amended to read:

71.04 **(7)** (f) 7. Gross receipts and gain or loss from the sale of intangible assets, except those under par. (e) 1. and 12.

***-1656/3.17* SECTION 1275.** 71.04 (7) (f) 9. of the statutes is amended to read:

71.04 **(7)** (f) 9. ~~Gross~~ Notwithstanding any other provision of this subsection, gross receipts and gain or loss from the sale or exchange of securities.

–1510/2.30 **SECTION 1276.** 71.05 (6) (b) 28. (intro.) of the statutes is amended to read:

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

–1659/1.1 **SECTION 1277.** 71.05 (6) (b) 28. a. of the statutes is amended to read:

71.05 **(6)** (b) 28. a. An amount equal to not more than ~~$3,000~~ $5,100, or twice the average amount charged by the board of regents of the University of Wisconsin System at 4–year institutions for resident undergraduate academic fees for the most recent fall semester, as determined by the board of regents by September 1 of that semester, whichever is greater, per student for each year to which the claim relates.

–0302/4.10 **SECTION 1278.** 71.05 (22) (f) 4. a. of the statutes is amended to read:

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

–0302/4.11 **SECTION 1279.** 71.05 (22) (g) of the statutes is amended to read:

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 as provided in par. (f) 4., 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.

–0302/4.12 **SECTION 1280.** 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, and as provided in par. (f) 4., 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).

–0404/4.108 **SECTION 1281.** 71.07 (2dd) (a) 1. of the statutes is amended to read:

71.07 **(2dd)** (a) 1. "Day care center benefits" means benefits provided at a day care facility that is licensed under s. ~~48.65 or 48.69~~ 49.98 or 49.99 and that for compensation provides care for at least 6 children or benefits provided at a facility for persons who are physically or mentally incapable of caring for themselves.

***-0402/5.1* SECTION 1282.** 71.07 (2di) (b) 1. of the statutes is repealed.

***-0402/8*SECTION 1283.** 71.07 (2dL) (c) 1. of the statutes is repealed.

***-0403/2*SECTION 1284.** 71.07 (2dL) (c) 2. of the statutes is renumbered 71.07 (2dL) (c).

***-0403/2*SECTION 1285.** 71.07 (2dL) (d) of the statutes is amended to read:

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

***-0402/5.2* SECTION 1286.** 71.07 (2dm) (hm) of the statutes is amended to read:

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

***-1656/3.18* SECTION 1287.** 71.07 (2dr) (a) of the statutes is amended to read:

71.07 **(2dr)** (a) *Credit.* Any person may credit against taxes otherwise due under this chapter an amount equal to 5% of the amount obtained by subtracting

from the person's qualified research expenses, as defined in section 41 of the internal revenue code, except that "qualified research expenses" include only expenses incurred by the claimant in a development zone under subch. VI of ch. 560, except that a taxpayer may elect the alternative computation under section 41 (c) (4) of the Internal Revenue Code and that election applies until the department permits its revocation and except that "qualified research expenses" do not include compensation used in computing the credit under sub. (2dj) nor research expenses incurred before the claimant is certified for tax benefits under s. 560.765 (3), the person's base amount, as defined in section 41 (c) of the internal revenue code, in a development zone, except that gross receipts used in calculating the base amount means gross receipts from sales attributable to Wisconsin under s. 71.04 (7) (b) 1. and 2. ~~and (d), (db), (dd), (df), (dg), (dh), and (dm)~~ and research expenses used in calculating the base amount include research expenses incurred before the claimant is certified for tax benefits under s. 560.765 (3), in a development zone, if the claimant submits with the claimant's return a copy of the claimant's certification for tax benefits under s. 560.765 (3) and a statement from the department of commerce verifying the claimant's qualified research expenses for research conducted exclusively in a development zone. The rules under s. 73.03 (35) apply to the credit under this paragraph. The rules under sub. (2di) (f) and (g), as they apply to the credit under that subsection, apply to claims under this paragraph. Section 41 (h) of the internal revenue code does not apply to the credit under this paragraph.

***-0403/2.1* SECTION 1288.** 71.07 (2dx) (a) 5. of the statutes is amended to read:

71.07 **(2dx)** (a) 5. "Member of a targeted group" means a person who resides in an ~~empowerment zone, or an enterprise community, that the U.S. government designates~~ area designated by the federal government as an economic revitalization

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

***–0402/5.3* SECTION 1289.** 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

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

***–0335/2.3* SECTION 1290.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

71.07 **(2dx)** (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

***–0335/2.4*SECTION 1291.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 **(2dx)** (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

***–0335/2.5*SECTION 1292.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 **(2dx)** (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full–time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

***–0335/2.6*SECTION 1293.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 **(2dx)** (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full–time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

***–1656/3.19*SECTION 1294.** 71.07 (3m) (a) 1. b. of the statutes is amended to read:

71.07 **(3m)** (a) 1. b. For partnerships except publicly traded partnerships treated as corporations under s. 71.22 ~~(1)~~ (1k), or limited liability companies, except

limited liability companies treated as corporations under s. 71.22 ~~(1)~~ (1k), "claimant" means each individual partner or member.

–1245/2.1 **SECTION 1295.** 71.07 (3n) (title) of the statutes is amended to read:

71.07 **(3n)** (title) ~~DAIRY~~ LIVESTOCK FARM INVESTMENT CREDIT.

–1245/2.2 **SECTION 1296.** 71.07 (3n) (a) 1m. of the statutes is repealed.

–1245/2.3 **SECTION 1297.** 71.07 (3n) (a) 1n. of the statutes is created to read:

71.07 **(3n)** (a) 1n. "Livestock" means domestic animals used in this state in the production of food, fiber, or other animal products and includes bovine animals, swine, poultry, fish, sheep, and goats. "Livestock" does not include equine animals, deer, ratites, camelidae, or mink.

–1245/2.4 **SECTION 1298.** 71.07 (3n) (a) 1p. of the statutes is repealed.

–1245/2.5 **SECTION 1299.** 71.07 (3n) (a) 2. (intro.) of the statutes is amended to read:

71.07 **(3n)** (a) 2. (intro.) ~~"Dairy~~ "Livestock farm modernization or expansion" means the construction, the improvement, or the acquisition of buildings or facilities, or the acquisition of equipment, for ~~dairy animal~~ livestock housing, livestock confinement, ~~animal~~ livestock feeding, milk production, or waste management, including the following, if used exclusively related to ~~dairy animals~~ livestock:

–1245/2.6 **SECTION 1300.** 71.07 (3n) (b) of the statutes is amended to read:

71.07 **(3n)** (b) Subject to the limitations provided in this subsection, for taxable years that begin after December 31, 2003, and before January 1, 2010, a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08 an amount equal to 10% of the amount the claimant paid in the taxable year for ~~dairy~~ livestock farm modernization or expansion related to the operation of the claimant's ~~dairy~~ livestock farm.

–1656/3.20 **SECTION 1301.** 71.07 (10) of the statutes is amended to read:

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

–0371/5.2 **SECTION 1302.** 71.10 (5g) of the statutes is created to read:

71.10 **(5g)** VETERANS TRUST FUND DONATIONS. (a) *Definitions.* In this subsection:

1. "Department" means the department of revenue.

2. "Veterans trust fund" means the fund under s. 25.36.

(b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an income tax return who has a tax liability or is entitled to a tax refund may designate on the return any amount of additional payment or any amount of a refund due that individual as a veterans trust fund donation.

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

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

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

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

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

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

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

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

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

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

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

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

3. The net amount remaining after the administrative costs, including data processing costs, under subd. 1. are subtracted from the total received under subd. 2.

(i) *Appropriations.* From the moneys received from designations for veterans trust fund donations, an amount equal to the sum of administrative expenses, including data processing costs, certified under par. (h) 1. shall be deposited into the general fund and credited to the appropriation account under s. 20.566 (1) (hp), and the net amount remaining that is certified under par. (h) 3. shall be deposited into the veterans trust fund and used for veterans programs under s. 25.36 (1).

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

***–0302/4.13* SECTION 1303.** 71.10 (6) (a) of the statutes is amended to read:

71.10 **(6)** (a) *Joint returns.* Persons filing a joint return are jointly and severally liable for the tax, interest, penalties, fees, additions to tax and additional assessments under this chapter applicable to the return. ~~A~~ Except as provided in

par. (e), a person shall be relieved of liability in regard to a joint return in the manner specified in section ~~6013 (e)~~ 6015 (a) to (d) and (f) of the ~~internal revenue code, notwithstanding the amount or percentage of the understatement~~ Internal Revenue Code.

***-0302/4.14* SECTION 1304.** 71.10 (6) (b) of the statutes is amended to read:

71.10 **(6)** (b) *Separate returns.* ~~A~~ Except as provided in par. (e), a spouse filing a separate return may be relieved of liability for the tax, interest, penalties, fees, additions to tax and additional assessments under this chapter ~~with regard to unreported marital property income~~ in the manner specified in section 66 (c) of the ~~internal revenue code~~ Internal Revenue Code. The department may not apply ch. 766 in assessing a taxpayer with respect to marital property income the taxpayer did not report if that taxpayer failed to notify the taxpayer's spouse about the amount and nature of the income before the due date, including extensions, for filing the return for the taxable year in which the income was derived. The department shall include all of that marital property income in the gross income of the taxpayer and exclude all of that marital property income from the gross income of the taxpayer's spouse.

***-0302/4.15* SECTION 1305.** 71.10 (6) (e) of the statutes is created to read:

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

***-0302/4.16* SECTION 1306.** 71.10 (6m) (a) of the statutes is amended to read:

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

–0302/4.17 **SECTION 1307.** 71.10 (6m) (c) of the statutes is created to read:

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

–1656/3.21 **SECTION 1308.** 71.195 of the statutes is amended to read:

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

–1656/3.22 **SECTION 1309.** 71.22 (1) of the statutes is renumbered 71.22 (1k).

–1656/3.23 **SECTION 1310.** 71.22 (1g) of the statutes is created to read:

71.22 **(1g)** For purposes of s. 71.25 (9) (df), (dg), and (dh), "commercial domicile" means the location from which a trade or business is principally managed and

directed, based on any factors the department determines are appropriate, including the location where the greatest number of employees of the trade or business work, have their office or base of operations, or from which the employees are directed or controlled.

***–1656/3.24* SECTION 1311.** 71.22 (1t) of the statutes is created to read:

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

***–0302/4.18* SECTION 1312.** 71.22 (4) (j) of the statutes is repealed.

***–0302/4.19* SECTION 1313.** 71.22 (4) (k) of the statutes is repealed.

***–0302/4.20* SECTION 1314.** 71.22 (4) (L) of the statutes is amended to read:

71.22 **(4)** (L) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made

by P.L. 105–33, 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

***–0302/4.21* SECTION 1315.** 71.22 (4) (m) of the statutes is amended to read:

71.22 **(4)** (m) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", 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, ~~and~~ P.L. 107–181, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, P.L.

108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

***-0302/4.22* SECTION 1316.** 71.22 (4) (n) of the statutes is amended to read:

71.22 **(4)** (n) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. 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, 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337,

909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

–0302/4.23 **SECTION 1317.** 71.22 (4) (o) of the statutes is amended to read:

71.22 **(4)** (o) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", 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, excluding section 109 of P.L. 108–121, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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. 107–15, 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. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. 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. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 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. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

***-0302/4.24* SECTION 1318.** 71.22 (4) (p) of the statutes is amended to read:

71.22 **(4)** (p) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g), and 71.42 (2), "Internal Revenue Code," 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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. 107–15, 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and

P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

–0302/4.25 **SECTION 1319.** 71.22 (4) (q) of the statutes is created to read:

71.22 **(4)** (q) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after December 31, 2003, and before January 1, 2005, 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, sections 106, 201, and 202 of P.L. 108–27, section 109 of P.L. 108–121, and section 1201 of P.L. 108–173, and as amended by P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476, 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. 107–15,

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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476. 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476, apply for Wisconsin purposes at the same time as for federal purposes.

–0302/4.26 **SECTION 1320.** 71.22 (4) (r) of the statutes is created to read:

71.22 **(4)** (r) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g), and 71.42 (2), "Internal Revenue Code," 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, section 1201 of P.L. 108–173, sections 306, 308, 401, and 403 (a) of P.L. 108–311, and sections 101, 201, 244, 336, 337, 909, and 910 of 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, 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476. 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.

–0302/4.27 **SECTION 1321.** 71.22 (4m) (h) of the statutes is repealed.

–0302/4.28 **SECTION 1322.** 71.22 (4m) (i) of the statutes is repealed.

–0302/4.29 **SECTION 1323.** 71.22 (4m) (j) of the statutes is amended to read:

71.22 **(4m)** (j) For taxable years that begin after December 31, 1996, and before January 1, 1998, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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. 105–206, 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

***–0302/4.30* SECTION 1324.** 71.22 (4m) (k) of the statutes is amended to read:

71.22 **(4m)** (k) For taxable years that begin after December 31, 1997, and before January 1, 1999, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, P.L. 108–121, excluding section 109 of P.L. 108–121. P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244,

336, 337, 909, and 910 of P.L. 108–357. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, ~~and~~ P.L. 107–181, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

***–0302/4.31* SECTION 1325.** 71.22 (4m) (L) of the statutes is amended to read:

71.22 **(4m)** (L) For taxable years that begin after December 31, 1998, and before January 1, 2000, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 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, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

–0302/4.32 **SECTION 1326.** 71.22 (4m) (m) of the statutes is amended to read:

71.22 **(4m)** (m) For taxable years that begin after December 31, 1999, and before January 1, 2003, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), 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. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. The Internal Revenue Code 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 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. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 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. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

***–0302/4.33* SECTION 1327.** 71.22 (4m) (n) of the statutes is amended to read:

71.22 **(4m)** (n) For taxable years that begin after December 31, 2002, and before January 1, 2004, "Internal Revenue Code," for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357. The Internal Revenue Code 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 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same time as for federal purposes.

***-0302/4.34* SECTION 1328.** 71.22 (4m) (o) of the statutes is created to read:

71.22 **(4m)** (o) For taxable years that begin after December 31, 2003, and before January 1, 2005, "Internal Revenue Code," for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), 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, sections 106, 201, and 202 of P.L. 108–27, section 109 of P.L. 108–121, and section 1201 of P.L. 108–173, and as amended by P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476, 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, 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476. The Internal Revenue Code 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 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections

101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476, apply for Wisconsin purposes at the same time as for federal purposes.

–0302/4.35 **SECTION 1329.** 71.22 (4m) (p) of the statutes is created to read:

71.22 **(4m)** (p) For taxable years that begin after December 31, 2004, "Internal Revenue Code," for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), 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, section 1201 of P.L. 108–173, sections 306, 308, 401, and 403 (a) of P.L. 108–311, and sections 101, 201, 244, 336, 337, 909, and 910 of 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, 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. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–476. The Internal Revenue Code 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 paragraph with respect to taxable years beginning after December 31, 2004.

***–1656/3.25* SECTION 1330.** 71.22 (6m) of the statutes is amended to read:

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

***–1656/3.26* SECTION 1331.** 71.22 (7m) of the statutes is amended to read:

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

***–1656/3.27* SECTION 1332.** 71.22 (9g) of the statutes is created to read:

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

***–1656/3.28* SECTION 1333.** 71.25 (9) (d) of the statutes is repealed.

***–1656/3.29* SECTION 1334.** 71.25 (9) (db) of the statutes is created to read:

71.25 **(9)** (db) Gross receipts from the lease, rental, or licensing of real property owned by the taxpayer and the sublease of real property are in this state if the real property is located in this state.

***–1656/3.30* SECTION 1335.** 71.25 (9) (dd) of the statutes is created to read:

71.25 **(9)** (dd) 1. Except as provided in subd. 2., gross receipts from the lease, rental, or licensing of tangible personal property owned by the taxpayer and the sublease of tangible personal property are in this state if the property is located in this state during the entire period of lease, rental, licensing, sublease, or other use. If the property is used in and outside this state during the period of lease, rental, licensing, or sublease, gross receipts are in this state to the extent that the property is used in this state. The proportion of use in this state is determined by multiplying the gross receipts from the lease, rental, licensing, sublease, or other use of the property by a fraction having as a numerator the amount of time the property was used in this state in the taxable year and having as a denominator the total time the property was used in all states having jurisdiction to impose an income tax on the taxpayer in the taxable year.

2. Gross receipts from the lease, rental, or licensing of moving property, including motor vehicles, rolling stock, aircraft, vessels, or mobile equipment, owned by the taxpayer and the sublease of moving property are in this state to the extent that the property is used in this state. The proportion of use of moving property in this state is determined as follows:

a. The proportion of use of a motor vehicle or rolling stock in this state is determined by multiplying the gross receipts from the lease, rental, licensing, or sublease of the motor vehicle or rolling stock by a fraction having as a numerator the number of miles traveled within this state by the motor vehicle or rolling stock while leased, rented, licensed, or subleased in the taxable year and having as a denominator the total number of miles traveled by the motor vehicle or rolling stock while leased, rented, licensed, or subleased in the taxable year.

b. The proportion of use of an aircraft in this state is determined by multiplying the gross receipts from the lease, rental, licensing, or sublease of the aircraft by a fraction having as a numerator the number of takeoffs and landings of the aircraft in this state while leased, rented, licensed, or subleased in the taxable year and having as a denominator the total number of takeoffs and landings of the aircraft while leased, rented, licensed, or subleased in the taxable year.

c. The proportion of use of a vessel or mobile equipment in this state is determined by multiplying the gross receipts from the lease, rental, licensing, or sublease of the vessel or mobile equipment by a fraction having as a numerator the number of days that the vessel or mobile equipment is in this state while leased, rented, licensed, or subleased in the taxable year and having as a denominator the total number of days that the vessel or mobile equipment is leased, rented, licensed, or subleased in the taxable year.

d. If the taxpayer is unable to determine the use of moving property under subd. 2. a., b., or c. while the property is leased, rented, licensed, or subleased in the taxable year, the moving property is conclusively deemed to be used in the state in which the property is located at the time that the lessee, renter, licensee, or sublessee takes possession of the property in the taxable year.

***–1656/3.31* SECTION 1336.** 71.25 (9) (df) of the statutes is created to read:

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

2. Computer software is used at a location in this state if the purchaser or licensee uses the computer software in the regular course of business operations in this state, for personal use in this state, or if the purchaser or licensee is an individual

whose domicile is in this state. If the purchaser or licensee uses the computer software in more than one state, the gross receipts shall be divided among those states having jurisdiction to impose an income tax on the taxpayer in proportion to the use of the computer software in those states. To determine computer software use in this state, the department may consider the number of users in each state where the computer software is used, the number of site licenses or workstations in this state, and any other factors that reflect the use of computer software in this state.

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

***–1656/3.32* SECTION 1337.** 71.25 (9) (dg) of the statutes is created to read:

71.25 **(9)** (dg) 1. Gross royalties and other gross receipts received for the sale or use of intangible property, including, but not limited to, patents, copyrights, trademarks, trade names, service names, franchises, licenses, plans, specifications, blueprints, processes, techniques, formulas, designs, layouts, patterns, drawings, manuals, technical know–how, contracts, and customer lists, are in this state if the user, purchaser, or licensee uses the intangible property at a location in this state.

2. Intangible property is used at a location in this state if the user, purchaser, or licensee uses the property in the operation of a trade or business at a location in this state, for personal use in this state, or if the user, purchaser, or licensee is an individual whose domicile is in this state. If the user, purchaser, or licensee uses the intangible property in more than one state, the gross royalties and other gross receipts from the sale or use of the intangible property shall be divided among those

states having jurisdiction to impose an income tax on the taxpayer in proportion to the use of the intangible property in those states. To determine intangible property use in this state, the department may consider the number of licensed sites in each state, the volume of property manufactured, produced, or sold at locations in this state, or any other factors that reflect the use of the intangible property in this state.

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

–1656/3.33 **SECTION 1338.** 71.25 (9) (dh) of the statutes is created to read:

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

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

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

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

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

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

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

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

***-1656/3.34* SECTION 1339.** 71.25 (9) (dm) of the statutes is created to read:

71.25 **(9)** (dm) If the income from sales, other than sales of tangible personal property, properly assignable to this state cannot be ascertained with reasonable certainty by the methods under pars. (db), (dd), (df), (dg), and (dh), the department may promulgate rules that specify how the income shall be apportioned.

***-1656/3.35* SECTION 1340.** 71.25 (9) (e) 12. of the statutes is created to read:

71.25 **(9)** (e) 12. Gross receipts from the sale, licensing, or use of intangible property in the ordinary course of the taxpayer's trade or business.

***-1656/3.36* SECTION 1341.** 71.25 (9) (f) 5. of the statutes is amended to read:

71.25 **(9)** (f) 5. ~~Proceeds~~ Notwithstanding any other provision of this subsection, proceeds and gain or loss from the redemption of securities.

***-1656/3.37* SECTION 1342.** 71.25 (9) (f) 7. of the statutes is amended to read:

71.25 **(9)** (f) 7. Gross receipts and gain or loss from the sale of intangible assets, except those under par. (e) 1. and 12.

***-1656/3.38* SECTION 1343.** 71.25 (9) (f) 9. of the statutes is amended to read:

71.25 **(9)** (f) 9. ~~Gross~~ Notwithstanding any other provision of this subsection, gross receipts and gain or loss from the sale or exchange of securities.

***-0302/4.36* SECTION 1344.** 71.26 (2) (b) 10. of the statutes is repealed.

***-0302/4.37* SECTION 1345.** 71.26 (2) (b) 11. of the statutes is repealed.