



1           71.28 (4) (i) *Nonclaimants.* The credits under this subsection may not be  
2 claimed by a partnership, except a publicly traded partnership treated as a  
3 corporation under s. 71.22 (4) (1k), limited liability company, except a limited  
4 liability company treated as a corporation under s. 71.22 (4) (1k), or tax-option  
5 corporation or by partners, including partners of a publicly traded partnership,  
6 members of a limited liability company or shareholders of a tax-option corporation.

7           **SECTION 1385h.** 71.28 (5g) of the statutes is created to read:

8           71.28 (5g) HEALTH INSURANCE RISK-SHARING PLAN ASSESSMENTS CREDIT. (a)  
9 *Definitions.* In this subsection, “claimant” means an insurer, as defined in s. 149.10  
10 (5), who files a claim under this subsection.

11           (b) *Filing claims.* Subject to the limitations provided under this subsection, for  
12 taxable years beginning after December 31, 2005, a claimant may claim as a credit  
13 against the taxes imposed under s. 71.23 an amount that is equal to a percentage of  
14 the amount of assessment under s. 149.13 that the claimant paid in the taxable year,  
15 as determined under par. (c) 1.

16           (c) *Limitations.* 1. The department of revenue, in consultation with the office  
17 of the commissioner of insurance, shall determine the percentage under par. (b) for  
18 each claimant for each taxable year so that the cost of the credit under this subsection  
19 and ss. 71.07 (5g), 71.47 (5g), and 76.655 is as close as practicable to \$2,000,000 in  
20 the 2006–07 fiscal year and \$5,000,000 in each fiscal year thereafter.

21           2. Partnerships, limited liability companies, and tax-option corporations may  
22 not claim the credit under this subsection, but the eligibility for, and the amount of,  
23 the credit are based on their payment of amounts described under par. (b). A  
24 partnership, limited liability company, or tax-option corporation shall compute the  
25 amount of credit that each of its partners, members, or shareholders may claim and

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

4 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under  
5 sub. (4), applies to the credit under this subsection.

6 **SECTION 1385p.** 71.30 (3) (dm) of the statutes is created to read:

7 71.30 (3) (dm) Health insurance risk-sharing plan assessments credit under  
8 s. 71.28 (5g).

9 **SECTION 1386.** 71.30 (11) of the statutes is created to read:

10 71.30 (11) VETERANS TRUST FUND. (a) *Definitions.* In this subsection, “veterans  
11 trust fund” means the fund under s. 25.36.

12 (b) *Voluntary payments.* 1. ‘Designation on return.’ A corporation filing an  
13 income or franchise tax return may designate on the return any amount of additional  
14 payment or any amount of a refund that is due the corporation as a donation to the  
15 veterans trust fund to be used for veterans programs under s. 25.36 (1).

16 2. ‘Designation added to tax owed.’ If the corporation owes any tax, the  
17 corporation shall remit in full the tax due and the amount designated on the return  
18 as a donation to the veterans trust fund when the corporation files a tax return.

19 3. ‘Designation deducted from refund.’ Except as provided under par. (d), and  
20 subject to ss. 71.75 (9) and 71.80 (3), if the corporation is owed a refund, the  
21 department shall deduct the amount designated on the return as a donation to the  
22 veterans trust fund from the amount of the refund.

23 (c) *Errors; failure to remit correct amount.* 1. ‘Reduced designation.’ If a  
24 corporation remits an amount that exceeds the tax due, after error corrections, but  
25 that is less than the total of the tax due, after error corrections, and the amount

1 designated by the corporation on the return as a donation to the veterans trust fund,  
2 the department shall reduce the designation to reflect the amount remitted that  
3 exceeds the tax due, after error corrections.

4 2. 'Void designation.' The designation for a donation to the veterans trust fund  
5 is void if the corporation remits an amount equal to or less than the tax due, after  
6 error corrections.

7 (d) *Errors; insufficient refund.* If a corporation is owed a refund that is less than  
8 the amount designated on the return as a donation to the veterans trust fund, after  
9 attachment and crediting under ss. 71.75 (9) and 71.80 (3) and after error corrections,  
10 the department shall reduce the designation to reflect the actual amount of the  
11 refund the corporation is otherwise owed.

12 (e) *Conditions.* If a corporation places any conditions on a designation for a  
13 donation to the veterans trust fund, the designation is void.

14 (f) *Void designation.* If a designation for a donation to the veterans trust fund  
15 is void, the department shall disregard the designation and determine the amounts  
16 due, owed, refunded, and received.

17 (g) *Tax return.* The secretary of revenue shall provide a place for the  
18 designations under this subsection on the corporate income and franchise tax  
19 returns and the secretary shall highlight that place on the returns by a symbol  
20 chosen by the department of veterans affairs that relates to veterans.

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

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

4           2. The total amount received from all designations to the veterans trust fund  
5 under this subsection made by corporations during the previous fiscal year.

6           3. The net amount remaining after the administrative costs under subd. 1. are  
7 subtracted from the total received under subd. 2.

8           (i) *Appropriations.* From the moneys received from designations to the  
9 veterans trust fund under this subsection, an amount equal to the sum of  
10 administrative expenses certified under par. (h) 1. shall be deposited into the general  
11 fund and credited to the appropriation under s. 20.566 (1) (hp), and the net amount  
12 remaining certified under par. (h) 3. shall be deposited into the veterans trust fund  
13 and used for the veterans programs under s. 25.36 (1).

14           (j) *Refunds.* An amount designated as a donation to the veterans trust fund  
15 under this subsection is not subject to refund to a corporation that designates the  
16 donation unless the corporation submits information to the satisfaction of the  
17 department within 18 months from the date that taxes are due from the corporation  
18 or from the date that the corporation filed the return, whichever is later, that the  
19 amount designated is clearly in error. A refund granted by the department under  
20 this paragraph shall be deducted from the moneys received under this subsection in  
21 the fiscal year that the refund is certified under 71.75 (7).

22           **SECTION 1386m.** 71.34 (1) (g) of the statutes is amended to read:

23           71.34 (1) (g) An addition shall be made for credits computed by a tax-option  
24 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3), (3g),  
25 (3n), (3t), ~~and (5b)~~, and (5g) and passed through to shareholders.

1           **SECTION 1387.** 71.34 (1g) (j) of the statutes is repealed.

2           **SECTION 1388.** 71.34 (1g) (k) of the statutes is repealed.

3           **SECTION 1389.** 71.34 (1g) (L) of the statutes is amended to read:

4           71.34 (1g) (L) “Internal Revenue Code” for tax-option corporations, for taxable  
5 years that begin after December 31, 1996, and before January 1, 1998, means the  
6 federal Internal Revenue Code as amended to December 31, 1996, excluding  
7 sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d),  
8 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
9 1605 (d) of P.L. 104–188, and as amended by P.L. 105–33, P.L. 105–34, P.L. 105–206,  
10 P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L.  
11 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.  
12 107–147, excluding sections 101 and 406 of P.L. 107–147, and P.L. 107–181, P.L.  
13 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306,  
14 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101,  
15 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and as indirectly affected in the  
16 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647  
17 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2)  
18 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.  
19 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and  
20 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
21 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.  
22 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202  
23 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
24 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554,  
25 excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431

1 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L.  
2 107–147, and P.L. 107–181, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L.  
3 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L.  
4 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357,  
5 except that section 1366 (f) (relating to pass-through of items to shareholders) is  
6 modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and  
7 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time  
8 as for federal purposes. Amendments to the federal Internal Revenue Code enacted  
9 after December 31, 1996, do not apply to this paragraph with respect to taxable years  
10 beginning after December 31, 1996, and before January 1, 1998, except that  
11 changes to the Internal Revenue Code made by P.L. 105–33, P.L. 105–34, P.L.  
12 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of  
13 P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.  
14 107–147, excluding sections 101 and 406 of P.L. 107–147, and P.L. 107–181, P.L.  
15 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306,  
16 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101,  
17 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect  
18 the provisions applicable to this subchapter made by P.L. 105–33, P.L. 105–34, P.L.  
19 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554, excluding sections 162 and 165 of  
20 P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.  
21 107–147, excluding sections 101 and 406 of P.L. 107–147, and P.L. 107–181, P.L.  
22 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306,  
23 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101,  
24 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the  
25 same time as for federal purposes.

1           **SECTION 1390.** 71.34 (1g) (m) of the statutes is amended to read:

2           71.34 (1g) (m) “Internal Revenue Code” for tax-option corporations, for taxable  
3 years that begin after December 31, 1997, and before January 1, 1999, means the  
4 federal Internal Revenue Code as amended to December 31, 1997, excluding sections  
5 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and  
6 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)  
7 of P.L. 104–188, and as amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.  
8 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554,  
9 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147,  
10 excluding sections 101 and 406 of P.L. 107–147, P.L. and 107–181, P.L. 108–121,  
11 excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308,  
12 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244,  
13 336, 337, 909, and 910 of P.L. 108–357, and as indirectly affected in the provisions  
14 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding  
15 sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514  
16 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.  
17 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.  
18 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
19 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
20 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
21 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
22 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.  
23 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding  
24 section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and  
25 406 of P.L. 107–147, and P.L. 107–181, P.L. 108–121, excluding section 109 of P.L.

1 108-121, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
2 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
3 of P.L. 108-357, except that section 1366 (f) (relating to pass-through of items to  
4 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under  
5 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes  
6 at the same time as for federal purposes. Amendments to the federal Internal  
7 Revenue Code enacted after December 31, 1997, do not apply to this paragraph with  
8 respect to taxable years beginning after December 31, 1997, and before  
9 January 1, 1999, except that changes to the Internal Revenue Code made by P.L.  
10 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554,  
11 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
12 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
13 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
14 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
15 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
16 and changes that indirectly affect the provisions applicable to this subchapter made  
17 by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-554,  
18 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431  
19 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
20 107-147, and P.L. 107-181, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
21 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
22 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
23 apply for Wisconsin purposes at the same time as for federal purposes.

24 **SECTION 1391.** 71.34 (1g) (n) of the statutes is amended to read:



1           71.34 (1g) (n) “Internal Revenue Code” for tax-option corporations, for taxable  
2 years that begin after December 31, 1998, and before January 1, 2000, means the  
3 federal Internal Revenue Code as amended to December 31, 1998, excluding sections  
4 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and  
5 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)  
6 of P.L. 104–188, and as amended by P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L.  
7 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding  
8 section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and  
9 406 of P.L. 107–147, P.L. 107–181, and P.L. 107–276, P.L. 108–121, excluding section  
10 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a)  
11 of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909,  
12 and 910 of P.L. 108–357, and as indirectly affected in the provisions applicable to this  
13 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2)  
14 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008  
15 (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.  
16 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.  
17 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
18 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
19 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
20 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.  
21 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L.  
22 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding  
23 section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and  
24 406 of P.L. 107–147, P.L. 107–181, and P.L. 107–276, P.L. 108–121, excluding section  
25 109 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a)

1 of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
2 and 910 of P.L. 108-357, except that section 1366 (f) (relating to pass-through of  
3 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes  
4 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin  
5 purposes at the same time as for federal purposes. Amendments to the federal  
6 Internal Revenue Code enacted after December 31, 1998, do not apply to this  
7 paragraph with respect to taxable years beginning after December 31, 1998, and  
8 before January 1, 2000, except that changes to the Internal Revenue Code made by  
9 P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and  
10 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134,  
11 P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L.  
12 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
13 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
14 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and changes  
15 that indirectly affect the provisions applicable to this subchapter made by P.L.  
16 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
17 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
18 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, and P.L.  
19 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
20 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
21 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, apply for  
22 Wisconsin purposes at the same time as for federal purposes.

23 **SECTION 1392.** 71.34 (1g) (o) of the statutes is amended to read:

24 71.34 (1g) (o) "Internal Revenue Code" for tax-option corporations, for taxable  
25 years that begin after December 31, 1999, and before January 1, 2003, means the

1 federal Internal Revenue Code as amended to December 31, 1999, excluding sections  
2 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and  
3 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)  
4 of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections  
5 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L.  
6 107–16, P.L. 107.22, P.L. 107.116, P.L. 107–134, P.L. 107–147, excluding sections 101  
7 and 406 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, and P.L. 107–358,  
8 P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121,  
9 excluding section 109 of P.L. 108–121, P.L. 108–218, P.L. 108–311, excluding sections  
10 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections  
11 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and as indirectly affected in  
12 the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.  
13 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823  
14 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L.  
15 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
16 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
17 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L.  
18 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections  
19 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L.  
20 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.  
21 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of  
22 P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L.  
23 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of  
24 P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, and P.L. 107–358, P.L.  
25 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding

1 section 109 of P.L. 108–121, P.L. 108–218, P.L. 108–311, excluding sections 306, 307,  
2 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201,  
3 244, 336, 337, 909, and 910 of P.L. 108–357, except that section 1366 (f) (relating to  
4 pass-through of items to shareholders) is modified by substituting the tax under s.  
5 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies  
6 for Wisconsin purposes at the same time as for federal purposes. Amendments to the  
7 federal Internal Revenue Code enacted after December 31, 1999, do not apply to this  
8 paragraph with respect to taxable years beginning after December 31, 1999, and  
9 before January 1, 2003, except that changes to the Internal Revenue Code made by  
10 P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L.  
11 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116,  
12 P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L. 107–147, P.L.  
13 107–181, P.L. 107–210, P.L. 107–276, and P.L. 107–358, P.L. 108–27, excluding  
14 sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L.  
15 108–121, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403  
16 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909,  
17 and 910 of P.L. 108–357, and changes that indirectly affect the provisions applicable  
18 to this subchapter made by P.L. 106–230, P.L. 106–554, excluding sections 162 and  
19 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16,  
20 P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and  
21 406 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, and P.L. 107–358, P.L.  
22 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding  
23 section 109 of P.L. 108–121, P.L. 108–218, P.L. 108–311, excluding sections 306, 307,  
24 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101, 201,

1 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the same  
2 time as for federal purposes.

3 **SECTION 1393.** 71.34 (1g) (p) of the statutes is amended to read:

4 71.34 (1g) (p) “Internal Revenue Code” for tax-option corporations, for taxable  
5 years that begin after December 31, 2002, and before January 1, 2004, means the  
6 federal Internal Revenue Code as amended to December 31, 2002, excluding sections  
7 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and  
8 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
9 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section  
10 431 of P.L. 107–16, and section 101 of P.L. 107–147, and as amended by P.L. 108–27,  
11 excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section  
12 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L.  
13 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403  
14 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and  
15 910 of P.L. 108–357, and P.L. 108–375, and as indirectly affected in the provisions  
16 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding  
17 sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514  
18 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.  
19 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.  
20 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
21 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
22 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
23 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
24 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.  
25 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,

1 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.  
2 107–134, P.L. 107–147, excluding section 101 of P.L. 107–147, P.L. 107–181, P.L.  
3 107–210, P.L. 107–276, and P.L. 107–358, P.L. 108–27, excluding sections 106, 201,  
4 and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L.  
5 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L.  
6 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L.  
7 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357,  
8 and P.L. 108–375, except that section 1366 (f) (relating to pass-through of items to  
9 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under  
10 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes  
11 at the same time as for federal purposes. Amendments to the federal Internal  
12 Revenue Code enacted after December 31, 2002, do not apply to this paragraph with  
13 respect to taxable years beginning after December 31, 2002, and before January 1,  
14 2004, except that changes to the Internal Revenue Code made by P.L. 108–27,  
15 excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section  
16 109 of P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L.  
17 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403  
18 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and  
19 910 of P.L. 108–357, and P.L. 108–375, and changes that indirectly affect the  
20 provisions applicable to this subchapter made by P.L. 108–27, excluding sections  
21 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121,  
22 P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218,  
23 P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L.  
24 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357,

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

3 **SECTION 1394.** 71.34 (1g) (q) of the statutes is created to read:

4 71.34 (1g) (q) “Internal Revenue Code” for tax–option corporations, for taxable  
5 years that begin after December 31, 2003, and before January 1, 2005, means the  
6 federal Internal Revenue Code as amended to December 31, 2003, excluding sections  
7 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and  
8 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
9 104–188, P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section  
10 431 of P.L. 107–16, section 101 of P.L. 107–147, sections 106, 201, and 202 of P.L.  
11 108–27, section 109 of P.L. 108–121, and section 1201 of P.L. 108–173, and as  
12 amended by P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307,  
13 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244,  
14 336, 337, 909, and 910 of P.L. 108–357, P.L. 108–375, and P.L. 108–476, and as  
15 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.  
16 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
17 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L.  
18 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,  
19 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.  
20 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
21 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,  
22 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.  
23 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.  
24 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections  
25 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L.

1 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section 101  
2 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,  
3 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
4 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
5 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and 403  
6 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and  
7 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, except that section 1366 (f)  
8 (relating to pass-through of items to shareholders) is modified by substituting the  
9 tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue  
10 Code applies for Wisconsin purposes at the same time as for federal purposes.  
11 Amendments to the federal Internal Revenue Code enacted after December 31, 2003,  
12 do not apply to this paragraph with respect to taxable years beginning after  
13 December 31, 2003, and before January 1, 2005, except that changes to the Internal  
14 Revenue Code made by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections  
15 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,  
16 201, 244, 336, 337, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, and  
17 changes that indirectly affect the provisions applicable to this subchapter made by  
18 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 401, and  
19 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909,  
20 and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, apply for Wisconsin  
21 purposes at the same time as for federal purposes.

22 **SECTION 1395.** 71.34 (1g) (r) of the statutes is created to read:

23 71.34 (1g) (r) "Internal Revenue Code" for tax-option corporations, for taxable  
24 years that begin after December 31, 2004, means the federal Internal Revenue Code  
25 as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L.



1 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,  
2 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3,  
3 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section  
4 431 of P.L. 107–16, section 101 of P.L. 107–147, sections 106, 201, and 202 of P.L.  
5 108–27, section 1201 of P.L. 108–173, sections 306, 308, 401, and 403 (a) of P.L.  
6 108–311, and sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and as  
7 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.  
8 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
9 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L.  
10 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,  
11 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.  
12 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
13 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,  
14 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.  
15 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.  
16 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections  
17 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L.  
18 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding section 101  
19 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,  
20 excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173,  
21 excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311,  
22 excluding sections 306, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding  
23 sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, P.L. 108–375, and P.L.  
24 108–476, except that section 1366 (f) (relating to pass-through of items to  
25 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under

1 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes  
2 at the same time as for federal purposes. Amendments to the federal Internal  
3 Revenue Code enacted after December 31, 2004, do not apply to this paragraph with  
4 respect to taxable years beginning after December 31, 2004.

5 **SECTION 1396.** 71.42 (2) (i) of the statutes is repealed.

6 **SECTION 1397.** 71.42 (2) (j) of the statutes is repealed.

7 **SECTION 1398.** 71.42 (2) (k) of the statutes is amended to read:

8 71.42 (2) (k) For taxable years that begin after December 31, 1996, and before  
9 January 1, 1998, “Internal Revenue Code” means the federal Internal Revenue Code  
10 as amended to December 31, 1996, excluding sections 103, 104, and 110 of P.L.  
11 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66  
12 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as  
13 amended by P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L.  
14 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding  
15 section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and  
16 406 of P.L. 107–147, and P.L. 107–181, P.L. 108–121, excluding section 109 of P.L.  
17 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
18 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
19 of P.L. 108–357, and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647,  
20 P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,  
21 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.  
22 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
23 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,  
24 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.  
25 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L.

1 106–36, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16,  
2 excluding section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections  
3 101 and 406 of P.L. 107–147, and P.L. 107–181, P.L. 108–121, excluding section 109  
4 of P.L. 108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of  
5 P.L. 108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and  
6 910 of P.L. 108–357, except that “Internal Revenue Code” does not include section  
7 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for  
8 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
9 federal Internal Revenue Code enacted after December 31, 1996, do not apply to this  
10 paragraph with respect to taxable years beginning after December 31, 1996, and  
11 before January 1, 1998, except that changes to the Internal Revenue Code made by  
12 P.L. 105–33, P.L. 105–34, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–554,  
13 excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431  
14 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L.  
15 107–147, and P.L. 107–181, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L.  
16 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L.  
17 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357,  
18 and changes that indirectly affect the provisions applicable to this subchapter made  
19 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,  
20 excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding section 431  
21 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and 406 of P.L.  
22 107–147, and P.L. 107–181, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L.  
23 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L.  
24 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357,  
25 apply for Wisconsin purposes at the same time as for federal purposes.

1           **SECTION 1399.** 71.42 (2) (L) of the statutes is amended to read:

2           71.42 (2) (L) For taxable years that begin after December 31, 1997, and before  
3           January 1, 1999, “Internal Revenue Code” means the federal Internal Revenue Code  
4           as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.  
5           102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66  
6           and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as  
7           amended by P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170,  
8           P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–16, excluding  
9           section 431 of P.L. 107–16, P.L. 107–134, P.L. 107–147, excluding sections 101 and  
10          406 of P.L. 107–147, and P.L. 107–181, P.L. 108–121, excluding section 109 of P.L.  
11          108–121, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
12          108–311, and P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910  
13          of P.L. 108–357, and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647,  
14          P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,  
15          excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.  
16          103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
17          103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,  
18          excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.  
19          104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.  
20          105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of  
21          P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.  
22          107–147, excluding sections 101 and 406 of P.L. 107–147, and P.L. 107–181, P.L.  
23          108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306,  
24          307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101,  
25          201, 244, 336, 337, 909, and 910 of P.L. 108–357, except that “Internal Revenue Code”

1 does not include section 847 of the federal Internal Revenue Code. The Internal  
2 Revenue Code applies for Wisconsin purposes at the same time as for federal  
3 purposes. Amendments to the federal Internal Revenue Code enacted after  
4 December 31, 1997, do not apply to this paragraph with respect to taxable years  
5 beginning after December 31, 1997, and before January 1, 1999, except that  
6 changes to the Internal Revenue Code made by P.L. 105–178, P.L. 105–206, P.L.  
7 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of  
8 P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.  
9 107–147, excluding sections 101 and 406 of P.L. 107–147, and P.L. 107–181, P.L.  
10 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306,  
11 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101,  
12 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and changes that indirectly affect  
13 the provisions applicable to this subchapter made by P.L. 105–178, P.L. 105–206, P.L.  
14 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–554, excluding sections 162 and 165 of  
15 P.L. 106–554, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–134, P.L.  
16 107–147, excluding sections 101 and 406 of P.L. 107–147, and P.L. 107–181, P.L.  
17 108–121, excluding section 109 of P.L. 108–121, P.L. 108–311, excluding sections 306,  
18 307, 308, 401, and 403 (a) of P.L. 108–311, and P.L. 108–357, excluding sections 101,  
19 201, 244, 336, 337, 909, and 910 of P.L. 108–357, apply for Wisconsin purposes at the  
20 same time as for federal purposes.

21 **SECTION 1400.** 71.42 (2) (m) of the statutes is amended to read:

22 71.42 (2) (m) For taxable years that begin after December 31, 1998, and before  
23 January 1, 2000, “Internal Revenue Code” means the federal Internal Revenue Code  
24 as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L.  
25 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66

1 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as  
2 amended by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding  
3 sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L.  
4 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147,  
5 P.L. 107-181, and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121,  
6 P.L. 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and  
7 P.L. 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L.  
8 108-357, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.  
9 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
10 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
11 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
12 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
13 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
14 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
15 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
16 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
17 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181,  
18 and P.L. 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
19 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357,  
20 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, except that  
21 “Internal Revenue Code” does not include section 847 of the federal Internal Revenue  
22 Code. The Internal Revenue Code applies for Wisconsin purposes at the same time  
23 as for federal purposes. Amendments to the federal Internal Revenue Code enacted  
24 after December 31, 1998, do not apply to this paragraph with respect to taxable years  
25 beginning after December 31, 1998, and before January 1, 2000, except that

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

16 **SECTION 1401.** 71.42 (2) (n) of the statutes is amended to read:

17 71.42 (2) (n) For taxable years that begin after December 31, 1999, and before  
18 January 1, 2003, "Internal Revenue Code" means the federal Internal Revenue Code  
19 as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.  
20 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66  
21 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as  
22 amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.  
23 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22,  
24 P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 406 of P.L.  
25 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and P.L. 107-358, P.L. 108-27,

1 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
2 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
3 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 244,  
4 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected by P.L. 99-514, P.L.  
5 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
6 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
7 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
8 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
9 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
10 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
11 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
12 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
13 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
14 107-147, excluding sections 101 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210,  
15 P.L. 107-276, and P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202  
16 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L.  
17 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, and P.L.  
18 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
19 except that "Internal Revenue Code" does not include section 847 of the federal  
20 Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes  
21 at the same time as for federal purposes. Amendments to the federal Internal  
22 Revenue Code enacted after December 31, 1999, do not apply to this paragraph with  
23 respect to taxable years beginning after December 31, 1999, and before January 1,  
24 2003, except that changes to the Internal Revenue Code made by P.L. 106-230, P.L.  
25 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,



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

17 **SECTION 1402.** 71.42 (2) (o) of the statutes is amended to read:

18 71.42 (2) (o) For taxable years that begin after December 31, 2002, and before  
19 January 1, 2004, “Internal Revenue Code” means the federal Internal Revenue Code  
20 as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L.  
21 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,  
22 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519,  
23 sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, and  
24 section 101 of P.L. 107–147, and as amended by P.L. 108–27, excluding sections 106,  
25 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L.

1 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.  
2 108-311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108-311, P.L.  
3 108-357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357,  
4 and P.L. 108-375, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L.  
5 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
6 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
7 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
8 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.  
9 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
10 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
11 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
12 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
13 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
14 excluding section 101 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, and  
15 P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
16 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201  
17 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
18 307, 308, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201,  
19 244, 336, 337, 909, and 910 of P.L. 108-357, and P.L. 108-375, except that “Internal  
20 Revenue Code” does not include section 847 of the federal Internal Revenue Code.  
21 The Internal Revenue Code applies for Wisconsin purposes at the same time as for  
22 federal purposes. Amendments to the federal Internal Revenue Code enacted after  
23 December 31, 2002, do not apply to this paragraph with respect to taxable years  
24 beginning after December 31, 2002, and before January 1, 2004, except that changes  
25 to the Internal Revenue Code made by P.L. 108-27, excluding sections 106, 201, and

1 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173,  
2 excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311,  
3 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357,  
4 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L.  
5 108–375, and changes that indirectly affect the provisions applicable to this  
6 subchapter made by P.L. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27,  
7 P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173, excluding section  
8 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections  
9 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101,  
10 201, 244, 336, 337, 909, and 910 of P.L. 108–357, and P.L. 108–375, apply for  
11 Wisconsin purposes at the same time as for federal purposes.

12 **SECTION 1403.** 71.42 (2) (p) of the statutes is created to read:

13 71.42 (2) (p) For taxable years that begin after December 31, 2003, and before  
14 January 1, 2005, “Internal Revenue Code” means the federal Internal Revenue Code  
15 as amended to December 31, 2003, excluding sections 103, 104, and 110 of P.L.  
16 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,  
17 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 106–519,  
18 sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, section  
19 101 of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 109 of P.L.  
20 108–121, and section 1201 of P.L. 108–173, and as amended by P.L. 108–203, P.L.  
21 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and 403 (a) of P.L.  
22 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909, and 910 of  
23 P.L. 108–357, P.L. 108–375, and P.L. 108–476, and as indirectly affected by P.L.  
24 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.  
25 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.

1 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
2 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
3 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
4 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
5 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.  
6 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,  
7 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.  
8 107–134, P.L. 107–147, excluding section 101 of P.L. 107–147, P.L. 107–181, P.L.  
9 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and  
10 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–173,  
11 excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311,  
12 excluding sections 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357,  
13 excluding sections 101, 201, 244, 336, 337, 909, and 910 of P.L. 108–357, P.L.  
14 108–375, and P.L. 108–476, except that “Internal Revenue Code” does not include  
15 section 847 of the federal Internal Revenue Code. The Internal Revenue Code  
16 applies for Wisconsin purposes at the same time as for federal purposes.  
17 Amendments to the federal Internal Revenue Code enacted after December 31, 2003,  
18 do not apply to this paragraph with respect to taxable years beginning after  
19 December 31, 2003, and before January 1, 2005, except that changes to the Internal  
20 Revenue Code made by P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections  
21 306, 307, 308, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101,  
22 201, 244, 336, 337, 909, and 910 of P.L. 108–357, P.L. 108–375, and P.L. 108–476, and  
23 changes that indirectly affect the provisions applicable to this subchapter made by  
24 P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 401, and  
25 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337, 909,

1 and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, apply for Wisconsin  
2 purposes at the same time as for federal purposes.

3 **SECTION 1404.** 71.42 (2) (q) of the statutes is created to read:

4 71.42 (2) (q) For taxable years that begin after December 31, 2004, "Internal  
5 Revenue Code" means the federal Internal Revenue Code as amended to  
6 December 31, 2004, excluding sections 103, 104, and 110 of P.L. 102-227, sections  
7 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
8 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.  
9 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.  
10 107-16, section 101 of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section  
11 1201 of P.L. 108-173, sections 306, 308, 401, and 403 (a) of P.L. 108-311, and sections  
12 101, 201, 244, 336, 337, 909, and 910 of P.L. 108-357, and as indirectly affected by  
13 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,  
14 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.  
15 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150  
16 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.  
17 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
18 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.  
19 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.  
20 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,  
21 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.  
22 107-134, P.L. 107-147, excluding section 101 of P.L. 107-147, P.L. 107-181, P.L.  
23 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
24 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
25 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 401,

1 and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 244, 336, 337,  
2 909, and 910 of P.L. 108–357, P.L. 108–375, and P.L. 108–476, except that “Internal  
3 Revenue Code” does not include section 847 of the federal Internal Revenue Code.  
4 The Internal Revenue Code applies for Wisconsin purposes at the same time as for  
5 federal purposes. Amendments to the federal Internal Revenue Code enacted after  
6 December 31, 2004, do not apply to this paragraph with respect to taxable years  
7 beginning after December 31, 2004.

8 **SECTION 1405.** 71.42 (3d) of the statutes is amended to read:

9 71.42 (3d) “Member” does not include a member of a limited liability company  
10 treated as a corporation under s. 71.22 ~~(1)~~ (1k).

11 **SECTION 1406.** 71.42 (3h) of the statutes is amended to read:

12 71.42 (3h) “Partner” does not include a partner of a publicly traded partnership  
13 treated as a corporation under s. 71.22 ~~(1)~~ (1k).

14 **SECTION 1406f.** 71.45 (1m) of the statutes is created to read:

15 71.45 (1m) HEALTH INSURANCE RISK-SHARING PLAN. The income of the  
16 organization administering the Health Insurance Risk-Sharing Plan under ch. 149  
17 is exempt from taxation under this subchapter.

18 **SECTION 1406m.** 71.45 (2) (a) 10. of the statutes is amended to read:

19 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit  
20 computed under s. 71.47 (1dd) to (1dx), (3n), and (5b), and (5g) and not passed  
21 through by a partnership, limited liability company, or tax-option corporation that  
22 has added that amount to the partnership’s, limited liability company’s, or  
23 tax-option corporation’s income under s. 71.21 (4) or 71.34 (1) (g) and the amount of  
24 credit computed under s. 71.47 (1), (3), (3t), (4), and (5).

25 **SECTION 1408.** 71.47 (1di) (b) 1. of the statutes is repealed.

1           **SECTION 1409.** 71.47 (1dL) (c) 1. of the statutes is repealed.

2           **SECTION 1410.** 71.47 (1dL) (c) 2. of the statutes is renumbered 71.47 (1dL) (c).

3           **SECTION 1411.** 71.47 (1dL) (d) of the statutes is amended to read:

4           71.47 (1dL) (d) Except as provided in par. (c) 2., the carry-over provisions of  
5 sub. (4) (e) and (f) as they relate to the credit under that subsection relate to the credit  
6 under this subsection and apply as if the development zone continued to exist.

7           **SECTION 1412.** 71.47 (1dm) (hm) of the statutes is amended to read:

8           71.47 (1dm) (hm) ~~Credits claimed~~ A claimant may claim the credit under this  
9 subsection, including any credits carried over, ~~may be offset only~~ against the amount  
10 of the tax otherwise due under this subchapter ~~attributable to income from the~~  
11 ~~business operations of the claimant in the development zone; except that a claimant~~  
12 ~~in a development zone under s. 560.795 (1) (e) may offset credits, including any~~  
13 ~~credits carried over, against the amount of the tax otherwise due under this~~  
14 ~~subchapter attributable to all of the claimant's income; and against the tax~~  
15 ~~attributable to income from directly related business operations of the claimant.~~

16           **SECTION 1413.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

17           71.47 (1dx) (a) 5. “Member of a targeted group” means a person who resides  
18 in an empowerment zone, ~~or an enterprise community, that the U.S. government~~  
19 ~~designates~~ area designated by the federal government as an economic revitalization  
20 area, a person who is employed in an unsubsidized job but meets the eligibility  
21 requirements under s. 49.145 (2) and (3) for a Wisconsin ~~works~~ Works employment  
22 position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), a  
23 person who is eligible for child care assistance under s. 49.155, a person who is a  
24 vocational rehabilitation referral, an economically disadvantaged youth, an  
25 economically disadvantaged veteran, a supplemental security income recipient, a

1 general assistance recipient, an economically disadvantaged ex-convict, a qualified  
2 summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as  
3 defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified  
4 in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub.  
5 (1dj) (am) 2.

6 **SECTION 1414.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

7 71.47 (1dx) (b) *Credit.* (intro.) Except ~~or~~ as provided in pars. (be) and (bg) and  
8 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person  
9 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3),  
10 560.797 (4) or 560.798 (3), any person may claim as a credit against the taxes imposed  
11 ~~on the person's income from the person's business activities in a development zone~~  
12 otherwise due under this chapter the following amounts:

13 **SECTION 1419.** 71.47 (2m) (a) 1. b. of the statutes is amended to read:

14 71.47 (2m) (a) 1. b. For partnerships, except publicly traded partnerships  
15 treated as corporations under s. 71.22 (1) (1k), or limited liability companies, except  
16 limited liability companies treated as corporations under s. 71.22 (1) (1k), "claimant"  
17 means each individual partner or member.

18 **SECTION 1420.** 71.47 (3n) (title) of the statutes is amended to read:

19 71.47 (3n) (title) DAIRY AND LIVESTOCK FARM INVESTMENT CREDIT.

20 **SECTION 1424b.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

21 71.47 (3n) (a) 2. (intro.) "Dairy farm modernization or expansion" means the  
22 construction, the improvement, or the acquisition of buildings or facilities, or the  
23 acquisition of equipment, for dairy animal housing, confinement, animal feeding,  
24 milk production, or waste management, including the following, if used exclusively



1 related to dairy animals and if acquired and placed in service in this state during  
2 taxable years that begin after December 31, 2003, and before January 1, 2010:

3 **SECTION 1424c.** 71.47 (3n) (a) 4. of the statutes is created to read:

4 71.47 (3n) (a) 4. “Livestock” means cattle, not including dairy animals; swine;  
5 poultry, not including farm–raised game birds or ratites; fish that are raised in  
6 aquaculture facilities; sheep; and goats.

7 **SECTION 1424d.** 71.47 (3n) (a) 5. of the statutes is created to read:

8 71.47 (3n) (a) 5. “Livestock farm modernization or expansion” means the  
9 construction, the improvement, or the acquisition of buildings or facilities, or the  
10 acquisition of equipment, for livestock housing, confinement, feeding, or waste  
11 management, including the following, if used exclusively related to livestock and if  
12 acquired and placed in service in this state during taxable years that begin after  
13 December 31, 2005, and before January 1, 2012:

- 14 a. Birthing structures.
- 15 b. Rearing structures.
- 16 c. Feedlot structures.
- 17 d. Feed storage and handling equipment.
- 18 e. Fences.
- 19 f. Watering facilities.
- 20 g. Scales.
- 21 h. Manure pumping and storage facilities.
- 22 i. Digesters.
- 23 j. Equipment used to produce energy.
- 24 k. Fish hatchery buildings.
- 25 L. Fish processing buildings.

1 m. Fish rearing ponds.

2 **SECTION 1424e.** 71.47 (3n) (a) 6. of the statutes is created to read:

3 71.47 (3n) (a) 6. a. For taxable years that begin after December 31, 2003, and  
4 before January 1, 2006, “used exclusively,” related to dairy animals, means used to  
5 the exclusion of all other uses except for use not exceeding 5 percent of total use.

6 b. For taxable years that begin after December 31, 2005, and before January  
7 1, 2010, “used exclusively,” related to livestock, dairy animals, or both, means used  
8 to the exclusion of all other uses except for use not exceeding 5 percent of total use.

9 c. For taxable years that begin after December 31, 2009, and before January  
10 1, 2012, “used exclusively,” related to livestock, means used to the exclusion of all  
11 other uses except for use not exceeding 5 percent of total use.

12 **SECTION 1425b.** 71.47 (3n) (b) of the statutes is renumbered 71.47 (3n) (b) 1.

13 **SECTION 1425c.** 71.47 (3n) (b) 2. of the statutes is created to read:

14 71.47 (3n) (b) 2. Subject to the limitations provided in this subsection, for  
15 taxable years that begin after December 31, 2005, and before January 1, 2012, a  
16 claimant may claim as a credit against the tax imposed under s. 71.43 an amount  
17 equal to 10 percent of the amount the claimant paid in the taxable year for livestock  
18 farm modernization or expansion related to the operation of the claimant’s livestock  
19 farm.

20 **SECTION 1425d.** 71.47 (3n) (e) of the statutes is renumbered 71.47 (3n) (e) 1.  
21 and amended to read:

22 71.47 (3n) (e) 1. Partnerships, limited liability companies, and tax-option  
23 corporations may not claim the credit under this subsection, but the eligibility for,  
24 and the amount of, the credit are based on their payment of expenses under par. (b),  
25 except that the aggregate amount of credits that the entity may compute shall not

1 exceed \$50,000. A partnership, limited liability company, or tax–option corporation  
2 shall compute the amount of credit that each of its partners, members, or  
3 shareholders may claim and shall provide that information to each of them.  
4 Partners, members of limited liability companies, and shareholders of tax–option  
5 corporations may claim the credit in proportion to their ownership interest.

6 **SECTION 1425e.** 71.47 (3n) (e) 2. of the statutes is created to read:

7 71.47 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock  
8 farm, each person may claim a credit under par. (b) in proportion to his or her  
9 ownership interest, except that the aggregate amount of the credits claimed by all  
10 persons who own and operate the farm shall not exceed \$50,000.

11 **SECTION 1426.** 71.47 (4) (a) of the statutes is amended to read:

12 71.47 (4) (a) *Credit.* Any corporation may credit against taxes otherwise due  
13 under this chapter an amount equal to 5% of the amount obtained by subtracting  
14 from the corporation’s qualified research expenses, as defined in section 41 of the  
15 internal revenue code, except that “qualified research expenses” includes only  
16 expenses incurred by the claimant, incurred for research conducted in this state for  
17 the taxable year, except that a taxpayer may elect the alternative computation under  
18 section 41 (c) (4) of the Internal Revenue Code and that election applies until the  
19 department permits its revocation and except that “qualified research expenses”  
20 does not include compensation used in computing the credit under subs. (1dj) and  
21 (1dx), the corporation’s base amount, as defined in section 41 (c) of the internal  
22 revenue code, except that gross receipts used in calculating the base amount means  
23 gross receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and 2. and,  
24 (d), (df), and (dh). Section 41 (h) of the internal revenue code does not apply to the  
25 credit under this paragraph.

1           **SECTION 1427.** 71.47 (4) (am) of the statutes is amended to read:

2           71.47 (4) (am) *Development zone additional research credit.* In addition to the  
3 credit under par. (a), any corporation may credit against taxes otherwise due under  
4 this chapter an amount equal to 5% of the amount obtained by subtracting from the  
5 corporation's qualified research expenses, as defined in section 41 of the internal  
6 revenue code, except that "qualified research expenses" include only expenses  
7 incurred by the claimant in a development zone under subch. VI of ch. 560, except  
8 that a taxpayer may elect the alternative computation under section 41 (c) (4) of the  
9 Internal Revenue Code and that election applies until the department permits its  
10 revocation and except that "qualified research expenses" do not include  
11 compensation used in computing the credit under sub. (1dj) nor research expenses  
12 incurred before the claimant is certified for tax benefits under s. 560.765 (3), the  
13 corporation's base amount, as defined in section 41 (c) of the internal revenue code,  
14 in a development zone, except that gross receipts used in calculating the base amount  
15 means gross receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and  
16 2. and, (d), (df), and (dh) and research expenses used in calculating the base amount  
17 include research expenses incurred before the claimant is certified for tax benefits  
18 under s. 560.765 (3), in a development zone, if the claimant submits with the  
19 claimant's return a copy of the claimant's certification for tax benefits under s.  
20 560.765 (3) and a statement from the department of commerce verifying the  
21 claimant's qualified research expenses for research conducted exclusively in a  
22 development zone. The rules under s. 73.03 (35) apply to the credit under this  
23 paragraph. The rules under sub. (1di) (f) and (g) as they apply to the credit under  
24 that subsection apply to claims under this paragraph. Section 41 (h) of the internal  
25 revenue code does not apply to the credit under this paragraph. No credit may be

1 claimed under this paragraph for taxable years that begin on January 1, 1998, or  
2 thereafter. Credits under this paragraph for taxable years that begin before January  
3 1, 1998, may be carried forward to taxable years that begin on January 1, 1998, or  
4 thereafter.

5 **SECTION 1428.** 71.47 (4) (i) of the statutes is amended to read:

6 71.47 (4) (i) *Nonclaimants.* The credits under this subsection may not be  
7 claimed by a partnership, except a publicly traded partnership treated as a  
8 corporation under s. 71.22 (~~4~~) (1k), limited liability company, except a limited  
9 liability company treated as a corporation under s. 71.22 (~~4~~) (1k), or tax-option  
10 corporation or by partners, including partners of a publicly traded partnership,  
11 members of a limited liability company or shareholders of a tax-option corporation.

12 **SECTION 1428k.** 71.47 (5g) of the statutes is created to read:

13 71.47 (5g) **HEALTH INSURANCE RISK-SHARING PLAN ASSESSMENTS CREDIT.** (a)  
14 *Definitions.* In this subsection, “claimant” means an insurer, as defined in s. 149.10  
15 (5), who files a claim under this subsection.

16 (b) *Filing claims.* Subject to the limitations provided under this subsection, for  
17 taxable years beginning after December 31, 2005, a claimant may claim as a credit  
18 against the taxes imposed under s. 71.43 an amount that is equal to a percentage of  
19 the amount of assessment under s. 149.13 that the claimant paid in the taxable year,  
20 as determined under par. (c) 1.

21 (c) *Limitations.* 1. The department of revenue, in consultation with the office  
22 of the commissioner of insurance, shall determine the percentage under par. (b) for  
23 each claimant for each taxable year so that the cost of the credit under this subsection  
24 and ss. 71.07 (5g), 71.28 (5g), and 76.655 is as close as practicable to \$2,000,000 in  
25 the 2006–07 fiscal year and \$5,000,000 in each fiscal year thereafter.

1           2. Partnerships, limited liability companies, and tax–option corporations may  
2 not claim the credit under this subsection, but the eligibility for, and the amount of,  
3 the credit are based on their payment of amounts described under par. (b). A  
4 partnership, limited liability company, or tax–option corporation shall compute the  
5 amount of credit that each of its partners, members, or shareholders may claim and  
6 shall provide that information to each of them. Partners, members of limited liability  
7 companies, and shareholders of tax–option corporations may claim the credit in  
8 proportion to their ownership interests.

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

11           **SECTION 1428p.** 71.49 (1) (dm) of the statutes is created to read:

12           71.49 (1) (dm) Health insurance risk–sharing plan assessments credit under  
13 s. 71.47 (5g).

14           **SECTION 1429.** 71.58 (1) (c) of the statutes is amended to read:

15           71.58 (1) (c) For partnerships except publicly traded partnerships treated as  
16 corporations under s. 71.22 (~~1~~) (1k), “claimant” means each individual partner.

17           **SECTION 1430.** 71.58 (1) (cm) of the statutes is amended to read:

18           71.58 (1) (cm) For limited liability companies, except limited liability  
19 companies treated as corporations under s. 71.22 (~~1~~) (1k), “claimant” means each  
20 individual member.

21           **SECTION 1430m.** 71.67 (5) (a) of the statutes is amended to read:

22           71.67 (5) (a) *Wager winnings.* A person holding a license to sponsor and  
23 manage races under s. 562.05 (1) (b), (bm), or (c) shall withhold from the amount of  
24 any payment of pari–mutuel winnings under s. 562.065 (3) (a) or (3m) (a) an amount  
25 determined by multiplying the amount of the payment by the highest rate applicable

1 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n) or (1p) if the amount of the  
2 payment is more than \$1,000.

3 **SECTION 1430o.** 71.67 (5) (b) of the statutes is amended to read:

4 71.67 (5) (b) *Deposits.* The licensee under s. 562.05 (1) (b), (bm), or (c) shall  
5 deposit the amounts withheld under this subsection as would an employer  
6 depositing under s. 71.65 (3).

7 **SECTION 1431.** 71.775 of the statutes is created to read:

8 **71.775 Withholding from nonresident members of pass-through**  
9 **entities.** (1) DEFINITIONS. In this section:

10 (a) “Nonresident” includes an individual who is not domiciled in this state; a  
11 partnership, limited liability company, or corporation whose commercial domicile is  
12 outside the state; and an estate or a trust that is a nonresident under s. 71.14 (1) to  
13 (3m).

14 (b) “Pass-through entity” means a partnership, a limited liability company, a  
15 tax-option corporation, an estate, or a trust that is treated as a pass-through entity  
16 for federal income tax purposes.

17 (2) WITHHOLDING TAX IMPOSED. (a) For the privilege of doing business in this  
18 state or deriving income from property located in this state, a pass-through entity  
19 that has Wisconsin income for the taxable year that is allocable to a nonresident  
20 partner, member, shareholder, or beneficiary shall pay a withholding tax. The  
21 amount of the tax imposed under this subsection to be withheld from the income  
22 distributable to each nonresident partner, member, shareholder, or beneficiary is  
23 equal to the nonresident partner’s, member’s, shareholder’s, or beneficiary’s share  
24 of income attributable to this state, multiplied by the following:

1           1. For an individual, an estate, or a trust that is a pass-through entity, the  
2 highest tax rate for a single individual for the taxable year under s. 71.06.

3           2. For a partnership, a limited liability company, or a tax-option corporation  
4 that is a pass-through entity, the highest tax rate for the taxable year under s. 71.27.

5           (b) A pass-through entity that is also a member of another pass-through entity  
6 is subject to withholding under this subsection and shall pay the tax based on the  
7 share of income that is distributable to each of the entity's nonresident partners,  
8 members, shareholders, or beneficiaries.

9           **(3) EXEMPTIONS.** (a) A nonresident partner's, member's, shareholder's, or  
10 beneficiary's share of income from the pass-through entity that is attributable to this  
11 state shall not be included in determining the withholding under sub. (2) if any of the  
12 following applies:

13           1. The partner, member, shareholder, or beneficiary is exempt from taxation  
14 under this chapter. For purposes of this subdivision, the pass-through entity may  
15 rely on a written statement from the partner, member, shareholder, or beneficiary  
16 claiming to be exempt from taxation under this chapter, if the pass-through entity  
17 attaches a copy of the statement to its return for the taxable year and if the statement  
18 specifies the name, address, federal employer identification number, and reason for  
19 claiming an exemption for each partner, member, shareholder, or beneficiary  
20 claiming to be exempt from taxation under this chapter.

21           2. The partner, member, shareholder, or beneficiary has no Wisconsin income  
22 other than his or her share of income from the pass-through entity that is  
23 attributable to this state and his or her share of such income is less than \$1,000.



1 (b) A pass-through entity that is a joint venture is not subject to the  
2 withholding under sub. (2), if the pass-through entity has elected not to be treated  
3 as a partnership under section 761 of the Internal Revenue Code.

4 (cm) A pass-through entity that is a publicly traded partnership, as defined  
5 under section 7704 (b) of the Internal Revenue Code, that is treated as a partnership  
6 under the Internal Revenue Code is not subject to the withholding under sub. (2), if  
7 the entity files with the department an information return that reports the name,  
8 address, taxpayer identification number, and any other information requested by the  
9 department for each unit holder with an income in this state from the entity in excess  
10 of \$500.

11 (4) ADMINISTRATION. (a) Each pass-through entity that is subject to the  
12 withholding under sub. (2) shall pay the amount of the tax withheld to the  
13 department no later than:

14 1. For tax-option corporations, the 15th day of the 3rd month following the  
15 close of the taxable year.

16 2. For partnerships, limited liability companies, estates, and trusts, the 15th  
17 day of the 4th month following the close of the taxable year.

18 (b) 1. If the pass-through entity has an extension of time to file its return, the  
19 tax withheld under sub. (2) is due on the unextended due date of the entity's return  
20 as provided under s. 71.13 (1), 71.20 (1), or 71.24 (1).

21 2. A pass-through entity that pays the tax withheld under sub. (2) as provided  
22 under subd. 1. is not subject to an underpayment of estimated tax under s. 71.09 or  
23 71.29, if 90 percent of the tax that is due for the current taxable year is paid by the  
24 unextended due date or if 100 percent of the tax that is due for the taxable year  
25 immediately preceding the current taxable year is paid by the unextended due date

1 and the taxable year immediately preceding the current taxable year was a  
2 12-month period. Interest at the rate 12 percent shall be imposed on the unpaid  
3 amount of the tax withheld under sub. (2) during any extension period and interest  
4 at the rate of 18 percent shall be imposed on the unpaid amount of the tax withheld  
5 under sub. (2) for the period beginning with the extended due date and ending with  
6 the date that the unpaid amount is paid in full.

7 (c) On or before the due date, including extensions, of the entity's return, a  
8 pass-through entity that withholds tax under sub. (2) shall annually notify each of  
9 its nonresident partners, members, shareholders, or beneficiaries of the amount of  
10 the tax withheld under sub. (2) that the pass-through entity paid on the nonresident  
11 partner's, member's, shareholder's, or beneficiary's behalf. The pass-through entity  
12 shall provide a copy of the notice to the department with the return that it files for  
13 the taxable year.

14 (d) A nonresident partner, member, shareholder, or beneficiary of a  
15 pass-through entity may claim a credit, as prescribed by the department, on his or  
16 her Wisconsin income or franchise tax return for the amount withheld under sub. (2)  
17 on his or her behalf. For purposes of this paragraph, the amount withheld under sub.  
18 (2) is considered to be paid on the last day of the pass-through entity's taxable year  
19 for which the tax is paid.

20 (e) Any tax withheld under this section shall be held in trust for this state, and  
21 a pass-through entity subject to withholding under this section shall be liable to the  
22 department for the payment of the tax withheld. No partner, member, shareholder,  
23 or beneficiary of a pass-through entity shall have any right of action against the  
24 pass-through entity with respect to any amount withheld and paid in compliance  
25 with this section.

1 (f) If a pass-through entity subject to withholding under this section fails to  
2 withhold tax as required by this section, the pass-through entity shall be liable for  
3 any tax, interest, and penalties. If a nonresident partner, member, shareholder, or  
4 beneficiary of the pass-through entity files a return and pays the tax due, the  
5 pass-through entity shall not be liable for the tax, but shall be liable for any interest  
6 and penalties otherwise applicable for failure to withhold, as provided under ss.  
7 71.82 (2) (d) and 71.83.

8 **SECTION 1431s.** 71.78 (2) of the statutes is amended to read:

9 71.78 (2) DISCLOSURE OF NET TAX. The department shall make available upon  
10 suitable forms prepared by the department information setting forth the net  
11 Wisconsin income tax, Wisconsin franchise tax or Wisconsin gift tax reported as paid  
12 or payable in the returns filed by any individual or corporation, and any amount of  
13 delinquent taxes owed, as described in s. 73.03 (62), by any such individual or  
14 corporation, for any individual year upon request. Before the request is granted, the  
15 person desiring to obtain the information shall prove his or her identity and shall be  
16 required to sign a statement setting forth the person's address and reason for making  
17 the request and indicating that the person understands the provisions of this section  
18 with respect to the divulgement, publication or dissemination of information  
19 obtained from returns as provided in sub. (1). The use of a fictitious name is a  
20 violation of this section. Within 24 hours after any information from any such tax  
21 return has been so obtained, the department shall mail to the person from whose  
22 return the information has been obtained a notification which shall give the name  
23 and address of the person obtaining the information and the reason assigned for  
24 requesting the information. The department shall collect from the person requesting  
25 the information a fee of \$4 for each return.

1           **SECTION 1432c.** 71.78 (4) (r) of the statutes is created to read:

2           71.78 (4) (r) The secretary of revenue and employees of that department for the  
3 purpose of preparing and maintaining the list of persons with unpaid tax obligations  
4 as described in s. 73.03 (62) so that the list of such persons is available for public  
5 inspection.

6           **SECTION 1432m.** 71.83 (1) (ce) of the statutes is created to read:

7           71.83 (1) (ce) *Health savings accounts.* Any person who is liable for a penalty  
8 for federal income tax purposes under section 223 (f) (4) of the Internal Revenue Code  
9 is liable for a penalty equal to 33 percent of that penalty. The department of revenue  
10 shall assess, levy, and collect the penalty under this paragraph as it assesses, levies,  
11 and collects taxes under this chapter.

12           **SECTION 1434.** 71.93 (1) (a) 1. of the statutes is amended to read:

13           71.93 (1) (a) 1. An amount owed to a state agency ~~that, if the amount~~ has been  
14 reduced to a judgment or if the state agency has provided the debtor reasonable  
15 notice and an opportunity to be heard with regards to the amount owed.

16           **SECTION 1435.** 71.93 (1) (a) 3. of the statutes is amended to read:

17           71.93 (1) (a) 3. An amount that the department of health and family services  
18 may recover under s. 49.45 (2) (a) 10. ~~or, 49.497, 49.793, or 49.847,~~ if the department  
19 of health and family services has certified the amount under s. 49.85.

20           **SECTION 1436.** 71.93 (1) (a) 4. of the statutes is amended to read:

21           71.93 (1) (a) 4. An amount that the department of workforce development may  
22 recover under s. 49.161, or 49.195 (3), ~~or 49.793,~~ or may collect under s. 49.147 (6)  
23 (cm), if the department of workforce development has certified the amount under s.  
24 49.85.

25           **SECTION 1437.** 71.93 (1) (cm) of the statutes is created to read:

1           71.93 (1) (cm) “Disbursement” means any payment to a person who provides  
2 goods and services to the state under subch. IV or V of ch. 16 or under ch. 84.

3           **SECTION 1438.** 71.93 (2) of the statutes is amended to read:

4           71.93 (2) CERTIFICATION. A state agency may certify to the department ~~for setoff~~  
5 any properly identified debt exceeding \$20 so that the department may set off the  
6 amount of the debt against a refund to the debtor or so that the department of  
7 administration may reduce a disbursement to the debtor by the amount of the debt.

8 At least 30 days prior to certification each debtor shall be sent a notice by the state  
9 agency of its intent to certify the debt to the department for setoff or reduction and  
10 of the debtor’s right of appeal. At the time of certification, the certifying state agency  
11 shall furnish the social security number of individual debtors and the federal  
12 employer identification number of other debtors.

13           **SECTION 1439.** 71.93 (3) of the statutes is renumbered 71.93 (3) (a) and  
14 amended to read:

15           71.93 (3) (a) ADMINISTRATION. In administering this section the department  
16 shall first check with the state agency certifying the debt to determine whether the  
17 debt has been collected by other means. If the debt remains uncollected the  
18 department of revenue shall setoff any debt or other amount owed to the department,  
19 regardless of the origin of the debt or of the amount, its nature or its date. If after  
20 the setoff there remains a refund in excess of \$10, the department shall set off the  
21 remaining refund against certified debts of other state agencies. If more than one  
22 certified debt exists for any debtor, the refund shall be first set off against the earliest  
23 debt certified, except that no child support or spousal support obligation submitted  
24 by an agency of another state may be set off until all debts owed to and certified by  
25 state agencies of this state have been set off. When all debts have been satisfied, any

1 remaining refund shall be refunded to the debtor by the department. Any legal  
2 action contesting a setoff under this paragraph shall be brought against the state  
3 agency that certified the debt under sub. (2).

4 **SECTION 1440.** 71.93 (3) (b) of the statutes is created to read:

5 71.93 (3) (b) The department shall provide the information obtained under sub.  
6 (2) to the department of administration. Before reducing any disbursement as  
7 provided under this paragraph, the department of administration shall contact the  
8 department to verify whether a certified debt that is the basis of the reduction has  
9 been collected by other means. If the certified debt remains uncollected, the  
10 department of administration shall reduce the disbursement by the amount of the  
11 debtor's certified debt under sub. (2), notify the department of such reduction and  
12 disbursement, and remit the amount of the reduction to the department in the  
13 manner prescribed by the department. If more than one certified debt exists for any  
14 debtor, the disbursement shall be reduced first by any debts certified under s. 73.12  
15 then by the earliest debt certified. Any legal action contesting a reduction under this  
16 paragraph shall be brought against the state agency that certified the debt under  
17 sub. (2).

18 **SECTION 1441.** 71.93 (4) of the statutes is amended to read:

19 71.93 (4) SETTLEMENT. Within 30 days after the close of each calendar quarter,  
20 the department shall settle with each state agency that has certified a debt. Each  
21 settlement shall note the opening balance of debts certified, any additions or  
22 deletions, reductions or amounts set off, and the ending balance at the close of the  
23 settlement period.

24 **SECTION 1442.** 71.93 (5) of the statutes is amended to read:

1           71.93 (5) STATE AGENCY CHARGED FOR COSTS. At the time of each settlement, each  
2 state agency shall be charged for administration expenses, and the amounts charged  
3 shall be credited to the department's appropriation under s. 20.566 (1) (h). Annually  
4 on or before November 1, the department shall review its costs incurred during the  
5 previous fiscal year in administering state agency setoffs and reductions and shall  
6 adjust its subsequent charges to each state agency to reflect that experience.

7           **SECTION 1443.** 71.93 (6) of the statutes is amended to read:

8           71.93 (6) WRITTEN AGREEMENT AND AUTHORITY OF DEPARTMENT. Any state agency  
9 wishing to certify debts to the department shall enter into a written agreement with  
10 the department prior to any certification of debt. Any certification of debts by a state  
11 agency or changes to certified debts shall be in a manner and form prescribed by the  
12 department. The secretary of revenue shall be the final authority in the resolution  
13 of any interagency disputes in regard to certification of debts. If a refund or  
14 disbursement is adjusted after a setoff or reduction, the department may readjust  
15 any erroneous settlement with a certifying state agency.

16           **SECTION 1444.** 71.93 (7) of the statutes is amended to read:

17           71.93 (7) EXCHANGE OF INFORMATION. Information relative to changes to any  
18 debt certified shall be exchanged promptly by each agency ~~and the department setoff.~~  
19 Setoff of refunds and reduction of disbursements against debts certified by agencies,  
20 and any ~~reports~~ report of the setoff or reduction to certifying state agencies, is not  
21 a violation of ss. 71.78, 72.06, 77.61 (5), 78.80 (3), and 139.38 (6).

22           **SECTION 1445.** 71.935 (1) (cm) of the statutes is created to read:

23           71.935 (1) (cm) "Disbursement" means any payment to a person who provides  
24 goods and services to the state under subch. IV or V of ch. 16 or under ch. 84.

25           **SECTION 1446.** 71.935 (2) of the statutes is amended to read:

1           71.935 (2) A municipality or county may certify to the department any debt  
2 owed to it. Not later than 5 days after certification, the municipality or county shall  
3 notify the debtor in writing of its certification of the debt to the department, of the  
4 basis of the certification and of the debtor's right to appeal and, in the case of parking  
5 citations, of the debtor's right to contest the citation. At the time of certification, the  
6 municipality or county shall furnish to the department the name and social security  
7 number or operator's license number of each individual debtor and the name and  
8 federal employer identification number of each other debtor.

9           **SECTION 1447.** 71.935 (3) of the statutes is renumbered 71.935 (3) (a) and  
10 amended to read:

11           71.935 (3) (a) If the debt remains uncollected and, in the case of a parking  
12 citation, if the debtor has not contested the citation within 20 days after the notice  
13 under sub. (2), the department shall set off the debt against any refund that is owed  
14 to the debtor after the setoff under s. 71.93. Any legal action contesting a setoff shall  
15 be brought against the municipality or county that certified the debt under sub. (2).

16           **SECTION 1448.** 71.935 (3) (b) of the statutes is created to read:

17           71.935 (3) (b) The department shall provide the information obtained under  
18 sub. (2) to the department of administration. Before reducing any disbursement as  
19 provided under this paragraph, the department of administration shall contact the  
20 department to verify whether a certified debt that is the basis of the reduction has  
21 been collected by other means and, in the case of a parking citation, whether the  
22 debtor has contested the citation within 20 days after the notice under sub. (2). If  
23 the certified debt remains uncollected and, in the case of a parking citation, the  
24 citation has not been contested within 20 days after the notice under sub. (2), the  
25 department of administration shall, after any reduction under s. 71.93, reduce the



1 disbursement by the amount of the debtor's certified debt under sub. (2), notify the  
2 department of such reduction and disbursement, and remit the amount of the  
3 reduction to the department in the manner prescribed by the department. If more  
4 than one debt certified under sub. (2) exists for any debtor, the disbursement shall  
5 be reduced first by the earliest debt certified. Any legal action contesting a reduction  
6 under this paragraph shall be brought against the municipality or county that  
7 certified the debt under sub. (2).

8 **SECTION 1449.** 71.935 (4) of the statutes is amended to read:

9 71.935 (4) Within 30 days after the end of each calendar quarter, the  
10 department shall settle with each municipality and county for the amounts that the  
11 ~~department setoff~~ set off or reduced against certified debts for the municipality or  
12 county during that calendar quarter.

13 **SECTION 1450.** 71.935 (5) of the statutes is amended to read:

14 71.935 (5) At the time of each settlement, each municipality and county shall  
15 be charged for administration expenses, and the amounts charged shall be credited  
16 to the appropriation account under s. 20.566 (1) (h). Annually on or before November  
17 1, the department shall review its costs incurred during the previous fiscal year in  
18 administering setoffs and reductions under this section and shall adjust its  
19 subsequent charges to each municipality and county to reflect that experience.

20 **SECTION 1450g.** Subchapter XVI of chapter 71 [precedes 71.98] of the statutes  
21 is created to read:

22 **CHAPTER 71**

23 **SUBCHAPTER XVI**

24 **INTERNAL REVENUE CODE UPDATE**

1           **71.98 Internal Revenue Code update.** The following federal laws, to the  
2 extent that they apply to the Internal Revenue Code, apply to this chapter:

3           **(1) HEALTH SAVINGS ACCOUNTS.** Section 1201 of P.L. 108–173, relating to health  
4 savings accounts.

5           **SECTION 1456c.** 73.03 (62) of the statutes is created to read:

6           **73.03 (62)** To prepare and maintain a list of all persons who owe delinquent  
7 taxes, including interest, penalties, fees, and costs, to the department, in excess of  
8 \$25,000, which are unpaid for more than 90 days after all appeal rights have expired,  
9 and to post the names of persons from this list on the Internet at a site that is created  
10 and maintained by the department for this purpose. The Internet site shall list the  
11 name, address, type of tax due, and amount of tax due, including interest, penalties,  
12 fees, and costs for each person who has one of the delinquent taxpayer accounts, and  
13 the Internet site shall also contain a special page for the persons who have the 100  
14 largest delinquent taxpayer accounts. Except as otherwise provided in this  
15 subsection, the department shall update the Internet site on a quarterly basis. The  
16 department may not post on the Internet the name of any person who has reached  
17 an agreement or compromise with the department, or the department of justice,  
18 under s. 71.92 and is in compliance with that agreement, regarding the payment of  
19 delinquent taxes, or the name of any person who is protected by a stay that is in effect  
20 under the Federal Bankruptcy Code; the Internet posting shall be updated each  
21 business day, as defined in s. 562.01 (3m), to comply with these prohibitions.

22           **SECTION 1459.** 73.0301 (1) (d) 3. of the statutes is amended to read:

23           **73.0301 (1) (d) 3.** A license, certificate of approval, provisional license,  
24 conditional license, certification, certification card, registration, permit, training  
25 permit or approval specified in s. 50.35, 50.49 (6) (a) or (10), 51.038, 51.04, 51.42 (7)