

1           \***-1195/3.36\*** SECTION 2025. 71.26 (2) (b) 16. of the statutes is amended to read:

2           71.26 (2) (b) 16. For taxable years that begin after December 31, 2002, and  
3 before January 1, 2004, for a corporation, conduit, or common law trust which  
4 qualifies as a regulated investment company, real estate mortgage investment  
5 conduit, real estate investment trust, or financial asset securitization investment  
6 trust under the Internal Revenue Code as amended to December 31, 2002, 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, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
9 1605 (d) of P.L. 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
10 106-573, section 431 of P.L. 107-16, and section sections 101 and 301 (a) of P.L.  
11 107-147, and as amended by P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
12 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding  
13 section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding  
14 sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding  
15 sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and  
16 P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,  
17 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135,  
18 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
19 (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844  
20 of P.L. 109-280, and as indirectly affected in the provisions applicable to this  
21 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
22 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
23 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
24 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
25 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202

1 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
2 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
3 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
4 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.  
5 107-116, P.L. 107-134, P.L. 107-147, excluding section sections 101 and 301 (a) of  
6 P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
7 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
8 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
9 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and  
10 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,  
11 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L.  
12 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
13 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201  
14 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.  
15 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, "net  
16 income" means the federal regulated investment company taxable income, federal  
17 real estate mortgage investment conduit taxable income, federal real estate  
18 investment trust or financial asset securitization investment trust taxable income  
19 of the corporation, conduit, or trust as determined under the 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 sections 101 and 301 (a) of P.L. 107-147, and as amended by P.L. 108-27,  
25 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section

1 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
2 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and  
3 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,  
4 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L.  
5 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
6 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201  
7 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.  
8 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as  
9 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
10 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
11 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
12 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
13 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
14 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
15 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
16 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
17 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
18 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
19 107-147, excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181,  
20 P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201,  
21 and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
22 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.  
23 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L.  
24 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
25 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305,

1 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,  
2 P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a),  
3 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding  
4 sections 811 and 844 of P.L. 109-280, except that property that, under s. 71.02 (1) (c)  
5 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986  
6 under the Internal Revenue Code as amended to December 31, 1980, shall continue  
7 to be depreciated under the Internal Revenue Code as amended to  
8 December 31, 1980, and except that the appropriate amount shall be added or  
9 subtracted to reflect differences between the depreciation or adjusted basis for  
10 federal income tax purposes and the depreciation or adjusted basis under this  
11 chapter of any property disposed of during the taxable year. The Internal Revenue  
12 Code as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L.  
13 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
14 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519,  
15 sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, and  
16 section sections 101 and 301 (a) of P.L. 107-147, and as amended by P.L. 108-27,  
17 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
18 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
19 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and  
20 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,  
21 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L.  
22 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
23 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201  
24 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.  
25 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as

1 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
2 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
3 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
4 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
5 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
6 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
7 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
8 105-178, P.L. 105-206, P.L. 105-277, 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. 107-15, P.L. 107-16,  
10 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
11 107-147, excluding ~~section~~ sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181,  
12 P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201,  
13 and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.  
14 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.  
15 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L.  
16 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
17 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305,  
18 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,  
19 P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a),  
20 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding  
21 sections 811 and 844 of P.L. 109-280, applies for Wisconsin purposes at the same time  
22 as for federal purposes. Amendments to the Internal Revenue Code enacted after  
23 December 31, 2002, do not apply to this subdivision with respect to taxable years that  
24 begin after December 31, 2002, and before January 1, 2004, except that changes to  
25 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, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
4 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
5 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,  
6 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.  
7 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402  
8 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections  
9 811 and 844 of P.L. 109-280, and changes that indirectly affect the provisions  
10 applicable to this subchapter made by P.L. 108-27, excluding sections 106, 201, and  
11 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173,  
12 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
13 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
14 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
15 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,  
16 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.  
17 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402  
18 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections  
19 811 and 844 of P.L. 109-280, apply for Wisconsin purposes at the same time as for  
20 federal purposes.

21 **\*-1195/3.37\* SECTION 2026.** 71.26 (2) (b) 17. of the statutes is amended to read:  
22 71.26 (2) (b) 17. For taxable years that begin after December 31, 2003, and  
23 before January 1, 2005, for a corporation, conduit, or common law trust which  
24 qualifies as a regulated investment company, real estate mortgage investment  
25 conduit, real estate investment trust, or financial asset securitization investment

1 trust under the Internal Revenue Code as amended to December 31, 2003, excluding  
2 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
3 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
4 1605 (d) of P.L. 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
5 106-573, section 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147,  
6 sections 106, 201, and 202 of P.L. 108-27, section 109 of P.L. 108-121, and section  
7 1201 of P.L. 108-173, and as amended by P.L. 108-203, P.L. 108-218, P.L. 108-311,  
8 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
9 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
10 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
11 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
12 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
13 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
14 (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811  
15 and 844 of P.L. 109-280, and as indirectly affected in the provisions applicable to this  
16 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
17 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
18 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
19 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
20 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
21 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
22 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
23 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
24 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.  
25 107-116, P.L. 107-134, P.L. 107-147, excluding section sections 101 and 301 (a) of

1 P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
2 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
3 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
4 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and  
5 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,  
6 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L.  
7 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
8 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
9 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
10 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227,  
11 and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, "net income"  
12 means the federal regulated investment company taxable income, federal real estate  
13 mortgage investment conduit taxable income, federal real estate investment trust  
14 or financial asset securitization investment trust taxable income of the corporation,  
15 conduit, or trust as determined under the Internal Revenue Code as amended to  
16 December 31, 2003, excluding sections 103, 104, and 110 of P.L. 102-227, sections  
17 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
18 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519, sections 162 and  
19 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, section sections 101 and  
20 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 109 of P.L.  
21 108-121, and section 1201 of P.L. 108-173, and as amended by P.L. 108-203, P.L.  
22 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L.  
23 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,  
24 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L.  
25 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,



1 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.  
2 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
3 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L.  
4 109-280, excluding sections 811 and 844 of P.L. 109-280, and as indirectly affected  
5 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.  
6 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
7 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
8 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
9 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.  
10 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
11 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
12 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
13 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
14 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
15 excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.  
16 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
17 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173,  
18 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
19 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
20 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
21 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
22 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
23 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
24 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
25 (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811

1 and 844 of P.L. 109-280, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985  
2 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal  
3 Revenue Code as amended to December 31, 1980, shall continue to be depreciated  
4 under the Internal Revenue Code as amended to December 31, 1980, and except that  
5 the appropriate amount shall be added or subtracted to reflect differences between  
6 the depreciation or adjusted basis for federal income tax purposes and the  
7 depreciation or adjusted basis under this chapter of any property disposed of during  
8 the taxable year. The Internal Revenue Code as amended to December 31, 2003,  
9 excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171  
10 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
11 1605 (d) of P.L. 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
12 106-573, section 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147,  
13 sections 106, 201, and 202 of P.L. 108-27, section 109 of P.L. 108-121, and section  
14 1201 of P.L. 108-173, and as amended by P.L. 108-203, P.L. 108-218, P.L. 108-311,  
15 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
16 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
17 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
18 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
19 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
20 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
21 (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811  
22 and 844 of P.L. 109-280, and as indirectly affected in the provisions applicable to this  
23 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
24 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
25 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections

1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
2 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
3 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
4 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
5 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
6 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.  
7 107-116, P.L. 107-134, P.L. 107-147, excluding section sections 101 and 301 (a) of  
8 P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
9 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section  
10 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
11 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and  
12 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,  
13 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L.  
14 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
15 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
16 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
17 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227,  
18 and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, applies for  
19 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
20 Internal Revenue Code enacted after December 31, 2003, do not apply to this  
21 subdivision with respect to taxable years that begin after December 31, 2003, and  
22 before January 1, 2005, except that changes to the Internal Revenue Code made by  
23 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,  
24 and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244,  
25 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L.

1 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
2 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
3 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
4 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227,  
5 and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that  
6 indirectly affect the provisions applicable to this subchapter made by P.L. 108-203,  
7 P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a)  
8 of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,  
9 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7,  
10 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
11 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.  
12 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
13 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L.  
14 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin  
15 purposes at the same time as for federal purposes.

16 **\*-1195/3.38\* SECTION 2027.** 71.26 (2) (b) 18. of the statutes is amended to read:  
17 71.26 (2) (b) 18. For taxable years that begin after December 31, 2004, and  
18 before January 1, 2006, for a corporation, conduit, or common law trust which  
19 qualifies as a regulated investment company, real estate mortgage investment  
20 conduit, real estate investment trust, or financial asset securitization investment  
21 trust under the Internal Revenue Code as amended to December 31, 2004, excluding  
22 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
23 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
24 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165  
25 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, section sections 101 and 301

1 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L.  
2 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, and sections 101,  
3 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and as amended  
4 by P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324,  
5 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section  
6 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
7 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,  
8 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
9 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as  
10 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
11 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
12 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
13 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
14 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
15 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
16 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
17 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
18 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
19 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
20 107-147, excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181,  
21 P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201,  
22 and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
23 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,  
24 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242,  
25 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476,

1 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
2 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
3 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
4 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,  
5 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
6 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, "net  
7 income" means the federal regulated investment company taxable income, federal  
8 real estate mortgage investment conduit taxable income, federal real estate  
9 investment trust or financial asset securitization investment trust taxable income  
10 of the corporation, conduit, or trust as determined under the Internal Revenue Code  
11 as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L.  
12 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
13 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,  
14 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section  
15 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147, sections 106, 201,  
16 and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and  
17 403 (a) of P.L. 108-311, and sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909,  
18 and 910 of P.L. 108-357, and as amended by P.L. 109-7, P.L. 109-58, excluding  
19 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351  
20 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,  
21 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
22 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections  
23 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,  
24 excluding sections 811 and 844 of P.L. 109-280, and as indirectly affected in the  
25 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,

1 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
2 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
3 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
4 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
5 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
6 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
7 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
8 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
9 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section  
10 sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276,  
11 P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
12 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.  
13 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.  
14 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,  
15 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L.  
16 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
17 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.  
18 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
19 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.  
20 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
21 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, except  
22 that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be  
23 depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as  
24 amended to December 31, 1980, shall continue to be depreciated under the Internal  
25 Revenue Code as amended to December 31, 1980, and except that the appropriate

1 amount shall be added or subtracted to reflect differences between the depreciation  
2 or adjusted basis for federal income tax purposes and the depreciation or adjusted  
3 basis under this chapter of any property disposed of during the taxable year. The  
4 Internal Revenue Code as amended to December 31, 2004, excluding sections 103,  
5 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203  
6 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
7 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,  
8 P.L. 106-573, section 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L.  
9 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,  
10 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, and sections 101, 201, 211,  
11 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and as amended by P.L.  
12 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
13 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
14 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
15 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,  
16 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
17 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as  
18 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
19 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
20 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
21 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
22 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
23 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
24 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
25 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.



1 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
2 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
3 107-147, excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181,  
4 P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201,  
5 and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
6 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,  
7 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242,  
8 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476,  
9 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
10 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
11 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
12 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,  
13 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
14 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, applies  
15 for Wisconsin purposes at the same time as for federal purposes. Amendments to the  
16 Internal Revenue Code enacted after December 31, 2004, do not apply to this  
17 subdivision with respect to taxable years that begin after December 31, 2004, and  
18 before January 1, 2006, except that changes to the Internal Revenue Code made by  
19 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
20 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
21 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
22 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,  
23 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
24 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and  
25 changes that indirectly affect the provisions applicable to this subchapter made by

1 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
2 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
3 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
4 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,  
5 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
6 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for  
7 Wisconsin purposes at the same time as for federal purposes.

8 **\*-1195/3.39\* SECTION 2028.** 71.26 (2) (b) 19. of the statutes is created to read:

9 71.26 (2) (b) 19. For taxable years that begin after December 31, 2005, and  
10 before January 1, 2007, for a corporation, conduit, or common law trust which  
11 qualifies as a regulated investment company, real estate mortgage investment  
12 conduit, real estate investment trust, or financial asset securitization investment  
13 trust under the Internal Revenue Code as amended to December 31, 2005, excluding  
14 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
15 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
16 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165  
17 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of  
18 P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,  
19 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242,  
20 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308,  
21 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,  
22 section 11146 of P.L. 109-59, section 301 of P.L. 109-73, and sections 101, 105, 201  
23 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.  
24 109-135, and as amendeded by P.L. 109-222, excluding sections 101, 207, 209, 503,  
25 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811

1 and 844 of P.L. 109-280, and as indirectly affected in the provisions applicable to this  
2 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
3 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,  
4 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
5 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
6 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
7 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.  
8 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.  
9 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,  
10 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.  
11 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.  
12 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
13 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,  
14 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
15 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
16 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
17 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
18 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
19 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding  
20 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it  
21 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.  
22 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.  
23 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.  
24 109-280, "net income" means the federal regulated investment company taxable  
25 income, federal real estate mortgage investment conduit taxable income, federal real

1 estate investment trust or financial asset securitization investment trust taxable  
2 income of the corporation, conduit, or trust as determined under the Internal  
3 Revenue Code as amended to December 31, 2005, excluding sections 103, 104, and  
4 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
5 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
6 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
7 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections  
8 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,  
9 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847,  
10 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324,  
11 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59,  
12 section 301 of P.L. 109-73, and sections 101, 105, 201 (a) as it relates to section 1400S  
13 (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and as amendeded by P.L.  
14 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
15 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as  
16 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
17 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
18 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
19 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
20 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
21 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
22 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
23 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
24 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
25 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.

1 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.  
2 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
3 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
4 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,  
5 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242,  
6 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L.  
7 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
8 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146  
9 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,  
10 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
11 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections  
12 101, 207, 209, 503, 512, and 513 of P.L. 109-222, 109-227, P.L. 109-227, and P.L.  
13 109-280, excluding sections 811 and 844 of P.L. 109-280, except that property that,  
14 under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable  
15 years 1983 to 1986 under the Internal Revenue Code as amended to  
16 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
17 Code as amended to December 31, 1980, and except that the appropriate amount  
18 shall be added or subtracted to reflect differences between the depreciation or  
19 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
20 under this chapter of any property disposed of during the taxable year. The Internal  
21 Revenue Code as amended to December 31, 2005, excluding sections 103, 104, and  
22 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
23 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
24 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
25 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections

1 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,  
2 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847,  
3 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324,  
4 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59,  
5 section 301 of P.L. 109-73, and sections 101, 105, 201 (a) as it relates to section 1400S  
6 (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and as amendeded by P.L.  
7 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
8 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as  
9 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
10 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.  
11 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
12 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
13 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
14 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
15 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
16 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
17 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
18 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
19 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.  
20 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
21 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
22 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,  
23 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242,  
24 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L.  
25 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,

1 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146  
2 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,  
3 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
4 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections  
5 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,  
6 excluding sections 811 and 844 of P.L. 109-280, applies for Wisconsin purposes at the  
7 same time as for federal purposes. Amendments to the Internal Revenue Code  
8 enacted after December 31, 2005, do not apply to this subdivision with respect to  
9 taxable years that begin after December 31, 2005, and before January 1, 2007,  
10 except that changes to the Internal Revenue Code made by P.L. 109-222, excluding  
11 sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L.  
12 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that indirectly  
13 affect the provisions applicable to this subchapter made by P.L. 109-222, excluding  
14 sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L.  
15 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin  
16 purposes at the same time as for federal purposes.

17 **\*-1195/3.40\* SECTION 2029.** 71.26 (2) (b) 20. of the statutes is created to read:  
18 71.26 (2) (b) 20. For taxable years that begin after December 31, 2006, for a  
19 corporation, conduit, or common law trust which qualifies as a regulated investment  
20 company, real estate mortgage investment conduit, real estate investment trust, or  
21 financial asset securitization investment trust under the Internal Revenue Code as  
22 amended to December 31, 2006, excluding sections 103, 104, and 110 of P.L. 102-227,  
23 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections  
24 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and  
25 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of

1 P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of  
2 P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of  
3 P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
4 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
5 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.  
6 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
7 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.  
8 109-222, sections 811 and 844 of P.L. 109-280, and P.L. 109-432, and as indirectly  
9 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,  
10 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508,  
11 P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
12 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
13 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.  
14 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
15 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
16 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
17 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
18 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
19 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
20 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
21 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
22 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403  
23 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,  
24 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.  
25 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,



1 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.  
2 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
3 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
4 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,  
5 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding  
6 sections 811 and 844 of P.L. 109-280, "net income" means the federal regulated  
7 investment company taxable income, federal real estate mortgage investment  
8 conduit taxable income, federal real estate investment trust or financial asset  
9 securitization investment trust taxable income of the corporation, conduit, or trust  
10 as determined under the Internal Revenue Code as amended to December 31, 2006,  
11 excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171  
12 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
13 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165  
14 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of  
15 P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,  
16 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242,  
17 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308,  
18 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,  
19 section 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as  
20 it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135,  
21 sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L.  
22 109-280, and P.L. 109-432, and as indirectly affected in the provisions applicable to  
23 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
24 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
25 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding

1 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.  
2 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections  
3 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
4 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
5 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
6 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
7 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a)  
8 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
9 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,  
10 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
11 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
12 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
13 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
14 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
15 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding  
16 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it  
17 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.  
18 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.  
19 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.  
20 109-280, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is  
21 required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue  
22 Code as amended to December 31, 1980, shall continue to be depreciated under the  
23 Internal Revenue Code as amended to December 31, 1980, and except that the  
24 appropriate amount shall be added or subtracted to reflect differences between the  
25 depreciation or adjusted basis for federal income tax purposes and the depreciation

1 or adjusted basis under this chapter of any property disposed of during the taxable  
2 year. The Internal Revenue Code as amended to December 31, 2006, excluding  
3 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),  
4 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and  
5 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165  
6 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of  
7 P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,  
8 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242,  
9 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308,  
10 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,  
11 section 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as  
12 it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135,  
13 sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L.  
14 109-280, and P.L. 109-432, and as indirectly affected in the provisions applicable to  
15 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
16 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
17 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding  
18 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.  
19 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections  
20 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
21 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
22 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
23 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
24 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a)  
25 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,

1 excluding sections 106, 201, and 202 of P.L. 108-27, 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, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
4 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
5 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
6 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
7 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding  
8 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it  
9 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.  
10 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.  
11 109-222, 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,  
12 applies for Wisconsin purposes at the same time as for federal purposes.  
13 Amendments to the Internal Revenue Code enacted after December 31, 2006, do not  
14 apply to this subdivision with respect to taxable years that begin after  
15 December 31, 2006.

16 **\*-1195/3.41\* SECTION 2030.** 71.26 (3) (s) of the statutes is amended to read:  
17 71.26 (3) (s) Sections 951 to 964 (relating to controlled foreign corporations) are  
18 excluded, and, for taxable years beginning on or after January 1, 2006, sections 951  
19 to 965 (relating to controlled foreign corporations) are excluded.

20 **\*-0486/1.11\* SECTION 2031.** 71.28 (1dj) (am) 4h. of the statutes is amended to  
21 read:  
22 71.28 (1dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that  
23 the amount of the credit is 25% of the qualified first-year wages if the wages are paid  
24 to an applicant for a Wisconsin works Works employment position for service either  
25 in an unsubsidized position or in a trial job position under s. 49.147 (3) or (3m) and

1 so that the amount of the credit is 20% of the qualified first-year wages if the wages  
2 are not paid to such an applicant.

3 **\*-0486/1.12\* SECTION 2032.** 71.28 (1dx) (a) 5. of the statutes is amended to  
4 read:

5 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides  
6 in an area designated by the federal government as an economic revitalization area,  
7 a person who is employed in an unsubsidized job but meets the eligibility  
8 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,  
9 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,  
10 real pay project position under s. 49.147 (3m), a person who is eligible for child care  
11 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an  
12 economically disadvantaged youth, an economically disadvantaged veteran, a  
13 supplemental security income recipient, a general assistance recipient, an  
14 economically disadvantaged ex-convict, a qualified summer youth employee, as  
15 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or  
16 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)  
17 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

18 **\*-0486/1.13\* SECTION 2033.** 71.28 (1dx) (b) 2. of the statutes is amended to  
19 read:

20 71.28 (1dx) (b) 2. The amount determined by multiplying the amount  
21 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a  
22 development zone and filled by a member of a targeted group and by then subtracting  
23 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid  
24 under s. 49.147 (3m) (c) for those jobs.

1           **\*-0486/1.14\* SECTION 2034.** 71.28 (1dx) (b) 3. of the statutes is amended to  
2 read:

3           71.28 (1dx) (b) 3. The amount determined by multiplying the amount  
4 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a  
5 development zone and not filled by a member of a targeted group and by then  
6 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and  
7 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

8           **\*-0486/1.15\* SECTION 2035.** 71.28 (1dx) (b) 4. of the statutes is amended to  
9 read:

10           71.28 (1dx) (b) 4. The amount determined by multiplying the amount  
11 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as  
12 provided in the rules under s. 560.785, excluding jobs for which a credit has been  
13 claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for  
14 which significant capital investment was made and by then subtracting the  
15 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid  
16 under s. 49.147 (3m) (c) for those jobs.

17           **\*-0486/1.16\* SECTION 2036.** 71.28 (1dx) (b) 5. of the statutes is amended to  
18 read:

19           71.28 (1dx) (b) 5. The amount determined by multiplying the amount  
20 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as  
21 provided in the rules under s. 560.785, excluding jobs for which a credit has been  
22 claimed under sub. (1dj), in a development zone and not filled by a member of a  
23 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or  
24 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

25           **\*-1822/2.3\* SECTION 2037.** 71.28 (3p) of the statutes is created to read:

1 71.28 (3p) DAIRY MANUFACTURING FACILITY INVESTMENT CREDIT. (a) *Definitions.*

2 In this subsection:

3 1. "Claimant" means a person who files a claim under this subsection.

4 2. "Dairy manufacturing" means processing milk into dairy products or  
5 processing dairy products for sale commercially.

6 3. "Dairy manufacturing modernization or expansion" means constructing,  
7 improving, or acquiring buildings or facilities, or acquiring equipment, for dairy  
8 manufacturing, including the following, if used exclusively for dairy manufacturing  
9 and if acquired and placed in service in this state during taxable years that begin  
10 after December 31, 2006, and before January 1, 2015:

11 a. Building construction, including storage and warehouse facilities.

12 b. Building additions.

13 c. Upgrades to utilities, including water, electric, heat, and waste facilities.

14 d. Milk intake and storage equipment.

15 e. Processing and manufacturing equipment, including pipes, motors, pumps,  
16 valves, pasteurizers, homogenizers, vats, evaporators, dryers, concentrators, and  
17 churns.

18 f. Packaging and handling equipment, including sealing, bagging, boxing,  
19 labeling, conveying, and product movement equipment.

20 g. Warehouse equipment, including storage racks.

21 h. Waste treatment and waste management equipment, including tanks,  
22 blowers, separators, dryers, digesters, and equipment that uses waste to produce  
23 energy, fuel, or industrial products.

1 i. Computer software and hardware used for managing the claimant's dairy  
2 manufacturing operation, including software and hardware related to logistics,  
3 inventory management, and production plant controls.

4 4. "Used exclusively" means used to the exclusion of all other uses except for  
5 use not exceeding 5 percent of total use.

6 (b) *Filing claims.* Subject to the limitations provided in this subsection, for  
7 taxable years beginning after December 31, 2006, and before January 1, 2015, a  
8 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the  
9 amount of the tax, an amount equal to 10 percent of the amount the claimant paid  
10 in the taxable year for dairy manufacturing modernization or expansion related to  
11 the claimant's dairy manufacturing operation.

12 (c) *Limitations.* 1. No credit may be allowed under this subsection for any  
13 amount that the claimant paid for expenses described under par. (b) that the  
14 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

15 2. The aggregate amount of credits that a claimant may claim under this  
16 subsection is \$200,000.

17 3. Partnerships, limited liability companies, and tax-option corporations may  
18 not claim the credit under this subsection, but the eligibility for, and the amount of,  
19 the credit are based on their payment of expenses under par. (b), except that the  
20 aggregate amount of credits that the entity may compute shall not exceed \$200,000.

21 A partnership, limited liability company, or tax-option corporation shall compute  
22 the amount of credit that each of its partners, members, or shareholders may claim  
23 and shall provide that information to each of them. Partners, members of limited  
24 liability companies, and shareholders of tax-option corporations may claim the  
25 credit in proportion to their ownership interest.



1 4. If 2 or more persons own and operate the dairy manufacturing operation,  
2 each person may claim a credit under par. (b) in proportion to his or her ownership  
3 interest, except that the aggregate amount of the credits claimed by all persons who  
4 own and operate the farm shall not exceed \$200,000.

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

7 **\*-0722/2.11\* SECTION 2038.** 71.28 (3w) (a) 5m. of the statutes is created to  
8 read:

9 71.28 (3w) (a) 5m. "Wages" means wages under section 3306 (b) of the Internal  
10 Revenue Code, determined without regard to any dollar limitations.

11 **\*-0722/2.12\* SECTION 2039.** 71.28 (3w) (a) 6. of the statutes is amended to  
12 read:

13 71.28 (3w) (a) 6. "Zone payroll" means the amount of state payroll that is  
14 attributable to compensation wages paid to individuals full-time employees for  
15 services that are performed in ~~a~~ an enterprise zone. "Zone payroll" does not include  
16 the amount of compensation wages paid to any individuals full-time employees that  
17 exceeds \$100,000.

18 **\*-0722/2.13\* SECTION 2040.** 71.28 (3w) (b) 1. a. of the statutes is amended to  
19 read:

20 71.28 (3w) (b) 1. a. The claimant's zone payroll in the taxable year, minus the  
21 claimant's zone payroll number of full-time employees whose annual wages are  
22 greater than \$30,000 and who the claimant employed in the enterprise zone in the  
23 taxable year, minus the number of full-time employees whose annual wages were  
24 greater than \$30,000 and who the claimant employed in the area that comprises the  
25 enterprise zone in the base year.

1       \*-0722/2.14\* SECTION 2041. 71.28 (3w) (b) 1. b. of the statutes is amended to  
2       read:

3       71.28 (3w) (b) 1. b. The claimant's state payroll in the taxable year, minus the  
4       claimant's state payroll number of full-time employees whose annual wages are  
5       greater than \$30,000 and who the claimant employed in the state in the taxable year,  
6       minus the number of full-time employees whose annual wages were greater than  
7       \$30,000 and who the claimant employed in the state in the base year.

8       \*-0722/2.15\* SECTION 2042. 71.28 (3w) (b) 2. of the statutes is amended to  
9       read:

10       71.28 (3w) (b) 2. ~~Subtract the number of~~ Determine the claimant's average  
11       zone payroll by dividing total wages for full-time employees that whose annual  
12       wages are greater than \$30,000 and who the claimant employed in the area that  
13       comprises the enterprise zone in the base taxable year from by the number of  
14       full-time employees that whose annual wages are greater than \$30,000 and who the  
15       claimant employed in the enterprise zone in the taxable year.

16       \*-0722/2.16\* SECTION 2043. 71.28 (3w) (b) 3. of the statutes is amended to  
17       read:

18       71.28 (3w) (b) 3. ~~Multiply~~ Subtract \$30,000 from the amount determined under  
19       subd. 2., but not an amount less than zero, by \$30,000.

20       \*-0722/2.17\* SECTION 2044. 71.28 (3w) (b) 4. of the statutes is amended to  
21       read:

22       71.28 (3w) (b) 4. ~~Subtract~~ Multiply the amount determined under subd. 3. from  
23       by the amount determined under subd. 1.

24       \*-0722/2.18\* SECTION 2045. 71.28 (3w) (bm) (intro.) and 4. of the statutes are  
25       consolidated, renumbered 71.28 (3w) (bm) and amended to read:

1           71.28 (3w) (bm) *Filing supplemental claims.* In addition to the credit under  
2 par. (b) and subject to the limitations provided in this subsection and s. 560.799, a  
3 claimant may claim as a credit against the tax imposed under s. 71.23 an amount  
4 equal to all of the following: ~~4. The~~ the amount the claimant paid in the taxable year  
5 to upgrade or improve the job-related skills of any of the claimant's full-time  
6 employees, to train any of the claimant's full-time employees on the use of  
7 job-related new technologies, or to ~~train~~ provide job-related training to any  
8 full-time employee whose employment with the claimant represents the employee's  
9 first full-time job. This subdivision does not apply to employees who do not work in  
10 ~~a~~ an enterprise zone.

11           \*~~-0722/2.19~~\* SECTION 2046. 71.28 (3w) (bm) 3. of the statutes is repealed.

12           \*~~-0722/2.20~~\* SECTION 2047. 71.28 (3w) (d) of the statutes is amended to read:

13           71.28 (3w) (d) *Administration.* Subsection (4) (g) and (h), as it applies to the  
14 credit under sub. (4), applies to the credit under this subsection. Claimants shall  
15 include with their returns a copy of their certification for tax benefits, and a copy of  
16 the verification of their expenses, from the department of commerce.

17           \*~~-1361/4.4~~\* SECTION 2048. 71.28 (5b) (c) 1. of the statutes is amended to read:

18           71.28 (5b) (c) 1. The ~~Except as provided in s. 73.03 (63),~~ the maximum amount  
19 of the credits that may be claimed under this subsection and ss. 71.07 (5b) and 71.47  
20 (5b) for all taxable years combined is ~~\$35,000,000~~ \$52,500,000.

21           \*~~-0724/2.4~~\* SECTION 2049. 71.28 (5b) (d) of the statutes is renumbered 71.28  
22 (5b) (d) 1.

23           \*~~-0724/2.5~~\* SECTION 2050. 71.28 (5b) (d) 2. of the statutes is created to read:

24           71.28 (5b) (d) 2. The Wisconsin adjusted basis of any investment for which a  
25 credit is claimed under par. (b) shall be reduced by the amount of the credit that is

1 offset against Wisconsin income taxes. The Wisconsin basis of a partner's interest  
2 in a partnership, a member's interest in a limited liability company, or stock in a  
3 tax-option corporation shall be adjusted to reflect adjustments made under this  
4 subdivision.

5 **\*-0728/6.9\* SECTION 2051.** 71.28 (5e) (b) of the statutes is amended to read:

6 71.28 (5e) (b) *Filing claims.* Subject to the limitations provided in this  
7 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first  
8 taxable year following the taxable year in which the claimant claims an exemption  
9 a deduction under s. 77.54 (48) 77.585 (9), a claimant may claim as a credit against  
10 the taxes imposed under s. 71.23, up to the amount of those taxes, in each taxable  
11 year for 2 years, the amount certified by the department of commerce that the  
12 claimant claimed as an exemption a deduction under s. 77.54 (48) 77.585 (9).

13 **\*-0728/6.10\* SECTION 2052.** 71.28 (5e) (c) 1. of the statutes is amended to read:

14 71.28 (5e) (c) 1. No credit may be allowed under this subsection unless the  
15 claimant satisfies the requirements under s. 77.54 (48) 77.585 (9).

16 **\*-0728/6.11\* SECTION 2053.** 71.28 (5e) (c) 3. of the statutes is amended to read:

17 71.28 (5e) (c) 3. The total amount of the credits and ~~exemptions~~ deductions that  
18 may be claimed by all claimants under this subsection and ss. 71.07 (5e), 71.47 (5e),  
19 and ~~77.54 (48)~~ 77.585 (9) is \$7,500,000, as determined by the department of  
20 commerce.

21 **\*-0720/1.4\* SECTION 2054.** 71.28 (5h) (a) 4. of the statutes is amended to read:

22 71.28 (5h) (a) 4. "Previously owned property" means real property that the  
23 claimant or a related person owned during the 2 years prior to doing business in this  
24 state as a film production company and for which the claimant may not deduct a loss  
25 from the sale of the property to, or an exchange of the property with, the related

1 person under section 267 of the Internal Revenue Code, except that section 267 of the  
2 Internal Revenue Code is modified so that if the claimant owns any part of the  
3 property, rather than 50 percent ownership, the claimant is subject to section 267 of  
4 the Internal Revenue Code for purposes of this subsection.

5 **\*-0720/1.5\* SECTION 2055.** 71.28 (5h) (c) 2. of the statutes is amended to read:

6 71.28 (5h) (c) 2. A claimant may claim the credit under par. (b) 2. for an amount  
7 expended to construct, rehabilitate, remodel, or repair real property, if the claimant  
8 began the physical work of construction, rehabilitation, remodeling, or repair, or any  
9 demolition or destruction in preparation for the physical work, after December 31,  
10 2007, ~~or if~~ and the completed project is placed in service after December 31, 2007.

11 **\*-0720/1.6\* SECTION 2056.** 71.28 (5h) (c) 3. of the statutes is amended to read:

12 71.28 (5h) (c) 3. A claimant may claim the credit under par. (b) 2. for an amount  
13 expended to acquire real property, if the property is not previously owned property  
14 and if the claimant acquires the property after December 31, 2007, ~~or if~~ and the  
15 completed project is placed in service after December 31, 2007.

16 **\*-1502/2.4\* SECTION 2057.** 71.28 (5i) of the statutes is created to read:

17 71.28 (5i) ELECTRONIC MEDICAL RECORDS CREDIT. (a) *Definitions.* In this  
18 subsection, "claimant" means a person who files a claim under this subsection.

19 (b) *Filing claims.* Subject to the limitations provided in this subsection, for  
20 taxable years beginning after December 31, 2008, a claimant may claim as a credit  
21 against the taxes imposed under s. 71.23, up to the amount of those taxes, an amount  
22 equal to 50 percent of the amount the claimant paid in the taxable year for  
23 information technology hardware or software that is used to maintain medical  
24 records in electronic form, if the claimant is a health care provider, as defined in s.  
25 146.81 (1).

1 (c) *Limitations.* 1. The maximum amount of the credits that may be claimed  
2 under this subsection and ss. 71.07 (5i) and 71.47 (5i) in a taxable year is  
3 \$10,000,000, as allocated under s. 560.204.

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

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

14 **\*-1410/3.6\* SECTION 2058.** 71.28 (5j) of the statutes is created to read:

15 71.28 (5j) ETHANOL AND BIODIESEL FUEL PUMP CREDIT. (a) *Definitions.* In this  
16 subsection:

- 17 1. "Biodiesel fuel" has the meaning given in s. 168.14 (2m) (a).  
18 2. "Claimant" means a person who files a claim under this subsection.  
19 3. "Motor vehicle fuel" has the meaning given in s. 78.005 (13).

20 (b) *Filing claims.* Subject to the limitations provided in this subsection, for  
21 taxable years beginning after December 31, 2007, and before January 1, 2018, a  
22 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the  
23 amount of the taxes, an amount that is equal to 25 percent of the amount that the  
24 claimant paid in the taxable year to install or retrofit pumps located in this state that

1 dispense motor vehicle fuel consisting of at least 85 percent ethanol or at least 20  
2 percent biodiesel fuel.

3 (c) *Limitations.* 1. The maximum amount of the credit that a claimant may  
4 claim under this subsection in a taxable year is an amount that is equal to \$5,000 per  
5 installed or retrofitted pump that is used as the basis for the credit claimed under  
6 par. (b).

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

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

17 \*-1822/2.4\* SECTION 2059. 71.30 (3) (dd) of the statutes is created to read:  
18 71.30 (3) (dd) Dairy manufacturing facility investment credit under s. 71.28  
19 (3p).

20 \*-1410/3.7\* SECTION 2060. 71.30 (3) (ed) of the statutes is created to read:  
21 71.30 (3) (ed) Ethanol and biodiesel fuel pump credit under s. 71.28 (5j).

22 \*-1502/2.5\* SECTION 2061. 71.30 (3) (epa) of the statutes is created to read:  
23 71.30 (3) (epa) Electronic medical records credit under s. 71.28 (5i).

24 \*-0720/1.7\* SECTION 2062. 71.30 (3) (epp) of the statutes is renumbered 71.30  
25 (3) (eps) and amended to read:

1 71.30 (3) (eps) Film production services credit under s. 71.28 (5f) (b) 1. and 3.

2 \*-0720/1.8\* SECTION 2063. 71.30 (3) (f) of the statutes is amended to read:

3 71.30 (3) (f) The total of farmers' drought property tax credit under s. 71.28

4 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under

5 s. 71.28 (2m), enterprise zone jobs credit under s. 71.28 (3w), film production services

6 credit under s. 71.28 (5f) (b) 2., and estimated tax payments under s. 71.29.

7 \*-1410/3.8\* SECTION 2064. 71.34 (1) (g) of the statutes is amended to read:

8 71.34 (1) (g) An addition shall be made for credits computed by a tax-option

9 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3), (3g),

10 (3n), (3p), (3t), (3w), ~~(5b)~~, (5e), (5f), (5g), and (5h), (5i), and (5j) and passed through

11 to shareholders.

\*\*\*\*NOTE: This is reconciled s. 71.34 (1) (g). This SECTION has been affected by drafts with the following LRB numbers: 1410/2, 1502/1, 1822/1, and 0724/1.

12 \*-1195/3.42\* SECTION 2065. 71.34 (1g) (L) of the statutes is repealed.

13 \*-1195/3.43\* SECTION 2066. 71.34 (1g) (m) of the statutes is repealed.

14 \*-1195/3.44\* SECTION 2067. 71.34 (1g) (n) of the statutes is amended to read:

15 71.34 (1g) (n) "Internal Revenue Code" for tax-option corporations, for taxable

16 years that begin after December 31, 1998, and before January 1, 2000, means the

17 federal Internal Revenue Code as amended to December 31, 1998, excluding sections

18 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and

19 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)

20 of P.L. 104-188, and as amended by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.

21 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding

22 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101, 301

23 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-276, P.L. 108-121, excluding



1 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,  
2 and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242,  
3 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-135,  
4 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
5 (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844  
6 of P.L. 109-280, and as indirectly affected in the provisions applicable to this  
7 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2)  
8 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008  
9 (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.  
10 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
11 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
12 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
13 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
14 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
15 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
16 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding  
17 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101, 301  
18 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-276, P.L. 108-121, excluding  
19 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,  
20 and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242,  
21 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-135,  
22 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
23 (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844  
24 of P.L. 109-280, 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, 1998, do not apply to this paragraph with  
4 respect to taxable years beginning after December 31, 1998, and before  
5 January 1, 2000, except that changes to the Internal Revenue Code made by P.L.  
6 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
7 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
8 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.  
9 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,  
10 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L.  
11 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
12 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding sections 101, 105, 201 (a) as it  
13 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and  
14 P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that  
15 indirectly affect the provisions applicable to this subchapter made by P.L. 106-36,  
16 P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.  
17 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.  
18 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, 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, 316, 401, and 403 (a) of P.L. 108-311, and P.L.  
21 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
22 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding sections 101, 105, 201 (a) as it  
23 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and  
24 P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin  
25 purposes at the same time as for federal purposes.

## SECTION 2068

1           \***-1195/3.45\*** SECTION 2068. 71.34 (1g) (o) of the statutes is amended to read:

2           71.34 (1g) (o) "Internal Revenue Code" for tax-option corporations, for taxable  
3 years that begin after December 31, 1999, and before January 1, 2003, means the  
4 federal Internal Revenue Code as amended to December 31, 1999, 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. 106-230, P.L. 106-554, excluding sections  
8 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
9 107-16, P.L. 107.22, P.L. 107.116, P.L. 107-134, P.L. 107-147, excluding sections 101,  
10 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.  
11 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
12 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311,  
13 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L.  
14 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
15 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,  
16 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135,  
17 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
18 (j), and (g), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844  
19 of P.L. 109-280, and as indirectly affected in the provisions applicable to this  
20 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2)  
21 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008  
22 (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.  
23 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
24 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
25 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.

1 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
2 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
3 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
4 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
5 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
6 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.  
7 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
8 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218,  
9 P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311,  
10 and P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909,  
11 and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,  
12 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.  
13 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402  
14 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections  
15 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through  
16 of items to shareholders) is modified by substituting the tax under s. 71.35 for the  
17 taxes under sections 1374 and 1375. The Internal Revenue Code applies for  
18 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
19 federal Internal Revenue Code enacted after December 31, 1999, do not apply to this  
20 paragraph with respect to taxable years beginning after December 31, 1999, and  
21 before January 1, 2003, except that changes to the Internal Revenue Code made by  
22 P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.  
23 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116,  
24 P.L. 107-134, P.L. 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147,  
25 P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding

## SECTION 2068

1 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.  
2 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and  
3 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242, 244,  
4 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding  
5 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351  
6 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
7 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L.  
8 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that indirectly  
9 affect the provisions applicable to this subchapter made by P.L. 106-230, P.L.  
10 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,  
11 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
12 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.  
13 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
14 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218,  
15 P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311,  
16 and P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909,  
17 and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,  
18 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.  
19 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402  
20 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections  
21 811 and 844 of P.L. 109-280, apply for Wisconsin purposes at the same time as for  
22 federal purposes.

23 \*-1195/3.46\* SECTION 2069. 71.34 (1g) (p) of the statutes is amended to read:  
24 71.34 (1g) (p) "Internal Revenue Code" for tax-option corporations, for taxable  
25 years that begin after December 31, 2002, and before January 1, 2004, means the

1 federal Internal Revenue Code as amended to December 31, 2002, 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, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
4 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section  
5 431 of P.L. 107-16, and ~~section~~ sections 101 and 301 (a) of P.L. 107-147, and as  
6 amended by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
7 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201  
8 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
9 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,  
10 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375,  
11 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
12 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections  
13 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405  
14 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,  
15 and as indirectly affected in the provisions applicable to this subchapter by P.L.  
16 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812  
17 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.  
18 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
19 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
20 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
21 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.  
22 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
23 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
24 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
25 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding

1 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
2 excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.  
3 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
4 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173,  
5 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
6 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
7 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
8 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,  
9 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.  
10 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402  
11 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections  
12 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through  
13 of items to shareholders) is modified by substituting the tax under s. 71.35 for the  
14 taxes under sections 1374 and 1375. The Internal Revenue Code applies for  
15 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
16 federal Internal Revenue Code enacted after December 31, 2002, do not apply to this  
17 paragraph with respect to taxable years beginning after December 31, 2002, and  
18 before January 1, 2004, except that changes to the Internal Revenue Code made by  
19 P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,  
20 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
21 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
22 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211,  
23 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L.  
24 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
25 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections

1 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405  
2 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,  
3 and changes that indirectly affect the provisions applicable to this subchapter made  
4 by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,  
5 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
6 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,  
7 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211,  
8 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L.  
9 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
10 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections  
11 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405  
12 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,  
13 apply for Wisconsin purposes at the same time as for federal purposes.

14 \*-1195/3.47\* SECTION 2070. 71.34 (1g) (q) of the statutes is amended to read:  
15 71.34 (1g) (q) "Internal Revenue Code" for tax-option corporations, for taxable  
16 years that begin after December 31, 2003, and before January 1, 2005, means the  
17 federal Internal Revenue Code as amended to December 31, 2003, excluding sections  
18 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and  
19 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
20 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section  
21 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147, sections 106, 201,  
22 and 202 of P.L. 108-27, section 109 of P.L. 108-121, and section 1201 of P.L. 108-173,  
23 and as amended by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
24 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,  
25 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,



1 and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,  
2 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73,  
3 excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201  
4 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.  
5 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.  
6 109-280, and as indirectly affected in the provisions applicable to this subchapter  
7 by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d)  
8 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.  
9 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
10 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
11 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
12 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.  
13 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
14 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
15 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
16 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
17 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
18 excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.  
19 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
20 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of 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, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
23 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
24 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
25 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.

1 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
2 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
3 (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811  
4 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through of  
5 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes  
6 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin  
7 purposes at the same time as for federal purposes. Amendments to the federal  
8 Internal Revenue Code enacted after December 31, 2003, do not apply to this  
9 paragraph with respect to taxable years beginning after December 31, 2003, and  
10 before January 1, 2005, except that changes to the Internal Revenue Code made by  
11 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,  
12 and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244,  
13 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L.  
14 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
15 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
16 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
17 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227,  
18 and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that  
19 indirectly affect the provisions applicable to this subchapter made by P.L. 108-203,  
20 P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a)  
21 of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,  
22 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7,  
23 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
24 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.  
25 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section

1 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.  
2 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for  
3 Wisconsin purposes at the same time as for federal purposes.

4 **\*-1195/3.48\* SECTION 2071.** 71.34 (1g) (r) of the statutes is amended to read:

5 71.34 (1g) (r) "Internal Revenue Code" for tax-option corporations, for taxable  
6 years that begin after December 31, 2004, and before January 1, 2006, means the  
7 federal Internal Revenue Code as amended to December 31, 2004, excluding sections  
8 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and  
9 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
10 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,  
11 P.L. 106-573, section 431 of P.L. 107-16, ~~section~~ sections 101 and 301 (a) of P.L.  
12 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,  
13 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, and sections 101, 201, 211,  
14 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and as amended by P.L.  
15 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
16 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301  
17 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to  
18 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,  
19 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
20 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as  
21 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
22 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
23 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.  
24 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
25 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.

1 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
2 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
3 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
4 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
5 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
6 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
7 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section  
8 sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276,  
9 P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
10 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.  
11 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.  
12 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,  
13 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L.  
14 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
15 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.  
16 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
17 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.  
18 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
19 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, except  
20 that section 1366 (f) (relating to pass-through of items to shareholders) is modified  
21 by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375.  
22 The Internal Revenue Code applies for Wisconsin purposes at the same time as for  
23 federal purposes. Amendments to the federal Internal Revenue Code enacted after  
24 December 31, 2004, do not apply to this paragraph with respect to taxable years  
25 beginning after December 31, 2004, and before January 1, 2006, except that changes

## SECTION 2071

1 to the Internal Revenue Code made by P.L. 109-7, P.L. 109-58, excluding sections  
2 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
3 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
4 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
5 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,  
6 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding  
7 sections 811 and 844 of P.L. 109-280, and changes that indirectly affect the  
8 provisions applicable to this subchapter made by P.L. 109-7, P.L. 109-58, excluding  
9 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351  
10 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,  
11 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
12 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections  
13 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,  
14 excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin purposes at the  
15 same time as for federal purposes.

16 **\*-1195/3.49\* SECTION 2072.** 71.34 (1g) (s) of the statutes is created to read:

17 71.34 (1g) (s) "Internal Revenue Code" for tax-option corporations, for taxable  
18 years that begin after December 31, 2005, and before January 1, 2007, means the  
19 federal Internal Revenue Code as amended to December 31, 2005, excluding sections  
20 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and  
21 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (e), 1204 (f), 1311, and 1605 (d) of P.L.  
22 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,  
23 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,  
24 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,  
25 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337,

1 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310,  
2 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of  
3 P.L. 109-59, section 301 of P.L. 109-73, and sections 101, 105, 201 (a) as it relates  
4 to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and as  
5 amended by P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.  
6 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.  
7 109-280, and as indirectly affected in the provisions applicable to this subchapter  
8 by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d)  
9 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.  
10 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
11 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
12 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
13 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.  
14 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
15 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
16 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
17 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
18 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,  
19 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
20 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
21 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
22 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403  
23 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,  
24 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.  
25 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,

1 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.  
2 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
3 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
4 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,  
5 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding  
6 sections 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to  
7 pass-through of items to shareholders) is modified by substituting the tax under s.  
8 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies  
9 for Wisconsin purposes at the same time as for federal purposes. Amendments to the  
10 federal Internal Revenue Code enacted after December 31, 2005, do not apply to this  
11 paragraph with respect to taxable years beginning after December 31, 2005, and  
12 before January 1, 2007, except that changes to the Internal Revenue Code made by  
13 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
14 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and  
15 changes that indirectly affect the provisions applicable to this subchapter made by  
16 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
17 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for  
18 Wisconsin purposes at the same time as for federal purposes.

19 **\*-1195/3.50\* SECTION 2073.** 71.34 (1g) (t) of the statutes is created to read:

20 71.34 (1g) (t) "Internal Revenue Code" for tax-option corporations, for taxable  
21 years that begin after December 31, 2006, means the federal Internal Revenue Code  
22 as amended to December 31, 2006, excluding sections 103, 104, and 110 of P.L.  
23 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
24 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,  
25 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section

1 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and  
2 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403  
3 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
4 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,  
5 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301  
6 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403  
7 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of  
8 P.L. 109-222, sections 811 and 844 of P.L. 109-280, and P.L. 109-432, and as  
9 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
10 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
11 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.  
12 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
13 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
14 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
15 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
16 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.  
17 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.  
18 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections  
19 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.  
20 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections  
21 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.  
22 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.  
23 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.  
24 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.  
25 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,



1 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58,  
2 excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348,  
3 and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L.  
4 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101,  
5 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of  
6 P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512,  
7 and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and  
8 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through of items  
9 to 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, 2006, do not apply to this paragraph with  
13 respect to taxable years beginning after December 31, 2006.

14 **\*-1195/3.51\* SECTION 2074.** 71.34 (1m) of the statutes is renumbered 71.34  
15 (1m) (a).

16 **\*-1195/3.52\* SECTION 2075.** 71.34 (1m) (b) of the statutes is created to read:  
17 71.34 (1m) (b) Notwithstanding sub. (1g), section 101 of P.L. 109-222, related  
18 to extending the increased expense deduction under section 179 of the Internal  
19 Revenue Code, applies to property used in farming that is acquired and placed in  
20 service in taxable years beginning on or after January 1, 2008, and used by a person  
21 who is actively engaged in farming. For purposes of this paragraph, "actively  
22 engaged in farming" has the meaning given in 7 CFR 1400.201, and "farming" has  
23 the meaning given in section 464 (e) (1) of the Internal Revenue Code.

24 **\*-1195/3.53\* SECTION 2076.** 71.42 (2) (k) of the statutes is repealed.

25 **\*-1195/3.54\* SECTION 2077.** 71.42 (2) (L) of the statutes is repealed.