

"E"
cont.

1 **SECTION 2101.** 71.47 (3w) (b) 3. of the statutes is amended to read:

2 71.47 (3w) (b) 3. ~~Multiply~~ Subtract \$30,000 from the amount determined under
3 subd. 2., ~~but not an amount less than zero, by \$30,000.~~

4 **SECTION 2102.** 71.47 (3w) (b) 4. of the statutes is amended to read:

5 71.47 (3w) (b) 4. ~~Subtract~~ Multiply the amount determined under subd. 3. ~~from~~
6 by the amount determined under subd. 1.

7 **SECTION 2103.** 71.47 (3w) (bm) (intro.) and 4. of the statutes are consolidated,
8 renumbered 71.47 (3w) (bm) and amended to read:

9 71.47 (3w) (bm) *Filing supplemental claims.* In addition to the credit under
10 par. (b) and subject to the limitations provided in this subsection and s. 560.799, a
11 claimant may claim as a credit against the tax imposed under s. 71.43 an amount
12 equal to all of the following: 4. ~~The~~ the amount the claimant paid in the taxable year
13 to upgrade or improve the job-related skills of any of the claimant's full-time
14 employees, to train any of the claimant's full-time employees on the use of
15 job-related new technologies, or to ~~train~~ provide job-related training to any
16 full-time employee whose employment with the claimant represents the employee's
17 first full-time job. This subdivision does not apply to employees who do not work in
18 ~~a~~ an enterprise zone.

19 **SECTION 2104.** 71.47 (3w) (bm) 3. of the statutes is repealed.

20 **SECTION 2105.** 71.47 (3w) (d) of the statutes is amended to read:

21 71.47 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
22 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
23 include with their returns a copy of their certification for tax benefits, and a copy of
24 the verification of their expenses, from the department of commerce.

25 **SECTION 2106.** 71.47 (5b) (c) 1. of the statutes is amended to read:

1 71.47 (5b) (c) 1. The Except as provided in s. 73.03 (63), the maximum amount
2 of the credits that may be claimed under this subsection and ss. 71.07 (5b) and 71.28
3 (5b) for all taxable years combined is ~~\$35,000,000~~ \$52,500,000.

4 **SECTION 2107.** 71.47 (5b) (d) of the statutes is renumbered 71.47 (5b) (d) 1.

5 **SECTION 2108.** 71.47 (5b) (d) 2. of the statutes is created to read:

6 71.47 (5b) (d) 2. The Wisconsin adjusted basis of any investment for which a
7 credit is claimed under par. (b) shall be reduced by the amount of the credit that is
8 offset against Wisconsin income taxes. The Wisconsin basis of a partner's interest
9 in a partnership, a member's interest in a limited liability company, or stock in a
10 tax-option corporation shall be adjusted to reflect adjustments made under this
11 subdivision.

12 **SECTION 2109.** 71.47 (5e) (b) of the statutes is amended to read:

13 71.47 (5e) (b) *Filing claims.* Subject to the limitations provided in this
14 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
15 taxable year following the taxable year in which the claimant claims ~~an exemption~~
16 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
17 the taxes imposed under s. 71.43, up to the amount of those taxes, in each taxable
18 year for 2 years, the amount certified by the department of commerce that resulted
19 from the claimant claimed as an exemption claiming a deduction under s. ~~77.54 (48)~~
20 77.585 (9).

21 **SECTION 2110.** 71.47 (5e) (c) 1. of the statutes is amended to read:

22 71.47 (5e) (c) 1. No credit may be allowed under this subsection unless the
23 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

24 **SECTION 2111.** 71.47 (5e) (c) 3. of the statutes is amended to read:

1 71.47 (5e) (c) 3. The total amount of the credits and ~~exemptions~~ the sales and
2 use tax resulting from the deductions claimed under s. 77.585 (9) that may be claimed
3 by all claimants under this subsection and ss. 71.07 (5e), 71.28 (5e), and ~~77.54 (48)~~
4 77.585 (9) is \$7,500,000, as determined by the department of commerce.

5 **SECTION 2112.** 71.47 (5h) (a) 4. of the statutes is amended to read:

6 71.47 (5h) (a) 4. "Previously owned property" means real property that the
7 claimant or a related person owned during the 2 years prior to doing business in this
8 state as a film production company and for which the claimant may not deduct a loss
9 from the sale of the property to, or an exchange of the property with, the related
10 person under section 267 of the Internal Revenue Code, except that section 267 of the
11 Internal Revenue Code is modified so that if the claimant owns any part of the
12 property, rather than 50 percent ownership, the claimant is subject to section 267 of
13 the Internal Revenue Code for purposes of this subsection.

14 **SECTION 2113.** 71.47 (5h) (c) 2. of the statutes is amended to read:

15 71.47 (5h) (c) 2. A claimant may claim the credit under par. (b) 2. for an amount
16 expended to construct, rehabilitate, remodel, or repair real property, if the claimant
17 began the physical work of construction, rehabilitation, remodeling, or repair, or any
18 demolition or destruction in preparation for the physical work, after December 31,
19 2007, ~~or if~~ and the completed project is placed in service after December 31, 2007.

20 **SECTION 2114.** 71.47 (5h) (c) 3. of the statutes is amended to read:

21 71.47 (5h) (c) 3. A claimant may claim the credit under par. (b) 2. for an amount
22 expended to acquire real property, if the property is not previously owned property
23 and if the claimant acquires the property after December 31, 2007, ~~or if~~ and the
24 completed project is placed in service after December 31, 2007.

25 **SECTION 2115.** 71.47 (5i) of the statutes is created to read:

1 71.47 (5i) ELECTRONIC MEDICAL RECORDS CREDIT. (a) *Definitions.* In this
2 subsection, "claimant" means a person who files a claim under this subsection.

3 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
4 taxable years beginning after December 31, 2009, a claimant may claim as a credit
5 against the taxes imposed under s. 71.43, up to the amount of those taxes, an amount
6 equal to 50 percent of the amount the claimant paid in the taxable year for
7 information technology hardware or software that is used to maintain medical
8 records in electronic form, if the claimant is a health care provider, as defined in s.
9 146.81 (1).

10 (c) *Limitations.* 1. The maximum amount of the credits that may be claimed
11 under this subsection and ss. 71.07 (5i) and 71.28 (5i) in a taxable year is
12 \$10,000,000, as allocated under s. 560.204.

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

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

23 **SECTION 2116.** 71.47 (5j) of the statutes is created to read:

24 71.47 (5j) ETHANOL AND BIODIESEL FUEL PUMP CREDIT. (a) *Definitions.* In this
25 subsection:

1 1. "Biodiesel fuel" has the meaning given in s. 168.14 (2m) (a).

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

3 3. "Motor vehicle fuel" has the meaning given in s. 78.005 (13).

4 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
5 taxable years beginning after December 31, 2007, and before January 1, 2018, a
6 claimant may claim as a credit against the taxes imposed under s. 71.43, up to the
7 amount of the taxes, an amount that is equal to 25 percent of the amount that the
8 claimant paid in the taxable year to install or retrofit pumps located in this state that
9 dispense motor vehicle fuel consisting of at least 85 percent ethanol or at least 20
10 percent biodiesel fuel.

11 (c) *Limitations.* 1. The maximum amount of the credit that a claimant may
12 claim under this subsection in a taxable year is an amount that is equal to \$5,000 for
13 each service station for which the claimant has installed or retrofitted pumps as
14 described under par. (b).

15 2. Partnerships, limited liability companies, and tax-option corporations may
16 not claim the credit under this subsection, but the eligibility for, and the amount of,
17 the credit are based on their payment of amounts under par. (b). A partnership,
18 limited liability company, or tax-option corporation shall compute the amount of
19 credit that each of its partners, members, or shareholders may claim and shall
20 provide that information to each of them. Partners, members of limited liability
21 companies, and shareholders of tax-option corporations may claim the credit in
22 proportion to their ownership interests.

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

25 **SECTION 2116m.** 71.47 (5k) of the statutes is created to read:

1 71.47 (5k) COMMUNITY REHABILITATION PROGRAM CREDIT. (a) *Definitions*. In this
2 subsection:

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

4 2. "Community rehabilitation program" means a nonprofit entity, county,
5 municipality, or state or federal agency that directly provides, or facilitates the
6 provision of, vocational rehabilitation services to individuals who have disabilities
7 to maximize the employment opportunities, including career advancement, of such
8 individuals.

9 3. "Vocational rehabilitation services" include education, training,
10 employment, counseling, therapy, placement, and case management.

11 4. "Work" includes production, packaging, assembly, food service, custodial
12 service, clerical service, and other commercial activities that improve employment
13 opportunities for individuals who have disabilities.

14 (b) *Filing claims*. Subject to the limitations provided in this subsection, for
15 taxable years beginning after July 1, 2009, a claimant may claim as a credit against
16 the tax imposed under s. 71.43, up to the amount of those taxes, an amount equal to
17 5 percent of the amount the claimant paid in the taxable year to a community
18 rehabilitation program to perform work for the claimant's business, pursuant to a
19 contract.

20 (c) *Limitations*. 1. The maximum amount of the credit that any claimant may
21 claim under this subsection in a taxable year is \$25,000 for each community
22 rehabilitation program for which the claimant enters into a contract to have the
23 community rehabilitation program perform work for the claimant's business.

24 2. No credit may be claimed under this subsection unless the claimant submits
25 with the claimant's return a form, as prescribed by the department of revenue, that

1 verifies that the claimant has entered into a contract with a community
2 rehabilitation program and that the program has received payment from the
3 claimant for work provided by the program, consistent with par. (b).

4 3. 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.* Section 71.28 (4) (e) to (h), as it applies to the credit under
13 s. 71.28 (4), applies to the credit under this subsection.

14 **SECTION 2116n.** 71.49 (1) (bn) of the statutes is created to read:

15 71.49 (1) (bn) Community rehabilitation program credit under s. 71.47 (5k).

16 **SECTION 2116s.** 71.49 (1) (cn) of the statutes is created to read:

17 71.49 (1) (cn) Biodiesel fuel production credit under s. 71.47 (3h).

18 **SECTION 2118.** 71.49 (1) (ds) of the statutes is created to read:

19 71.49 (1) (ds) Ethanol and biodiesel fuel pump credit under s. 71.47 (5j).

20 **SECTION 2119.** 71.49 (1) (epa) of the statutes is created to read:

21 71.49 (1) (epa) Electronic medical records credit under s. 71.47 (5i).

22 **SECTION 2120.** 71.49 (1) (epp) of the statutes is renumbered 71.49 (1) (eps) and
23 amended to read:

24 71.49 (1) (eps) Film production services credit under s. 71.47 (5f) (b) 1. and 3.

25 **SECTION 2121.** 71.49 (1) (f) of the statutes is amended to read:

1 71.49 (1) (f) The total of farmers' drought property tax credit under s. 71.47
2 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under
3 s. 71.47 (2m), dairy manufacturing facility investment credit under s. 71.47 (3p),
4 enterprise zone jobs credit under s. 71.47 (3w), film production services credit under
5 s. 71.47 (5f) (b) 2., and estimated tax payments under s. 71.48.

6 **SECTION 2127.** 71.738 (1d) of the statutes is repealed.

7 **SECTION 2128.** 71.738 (2d) of the statutes is repealed.

8 **SECTION 2129.** 71.74 (14) of the statutes is amended to read:

9 71.74 (14) **ADDITIONAL REMEDY TO COLLECT TAX.** The department may also
10 proceed under s. 71.91 (5) for the collection of any additional assessment of income
11 or franchise taxes or surtaxes, after notice thereof has been given under sub. (11) and
12 before the same shall have become delinquent, when it has reasonable grounds to
13 believe that the collection of such additional assessment will be jeopardized by delay.
14 In such cases notice of the intention to so proceed shall be given by registered mail
15 to the taxpayer, and the warrant of the department shall not issue if the taxpayer
16 within 10 days after such notice furnishes a bond in such amount, not exceeding
17 double the amount of the tax, and with such sureties as the department shall
18 approve, conditioned upon the payment of so much of the additional taxes as shall
19 finally be determined to be due, together with interest thereon as provided by s. 71.82
20 (1) (a). Nothing in this subsection shall affect the review of additional assessments
21 provided by ss. 71.88 (1) (a) and (2) (a), 71.89 (2), 73.01, and 73.015, and any amounts
22 collected under this subsection shall be deposited with the ~~secretary of~~
23 ~~administration~~ department and disbursed after final determination of the taxes as
24 are amounts deposited under s. 71.90 (2).

25 **SECTION 2130.** 71.765 of the statutes is repealed.

1 **SECTION 2131.** 71.775 (3) (a) 2. of the statutes is amended to read:

2 71.775 (3) (a) 2. ~~The partner, member, shareholder, or beneficiary has no~~
3 ~~Wisconsin income other than his or her partner's, member's, shareholder's, or~~
4 ~~beneficiary's share of income from the pass-through entity that is attributable to this~~
5 ~~state and his or her share of such income is less than \$1,000.~~

6 **SECTION 2132.** 71.775 (3) (a) 3. of the statutes is created to read:

7 71.775 (3) (a) 3. The nonresident partner, member, shareholder, or beneficiary
8 files an affidavit with the department, in the form and manner prescribed by the
9 department, whereby the nonresident partner, member, shareholder, or beneficiary
10 agrees to file a Wisconsin income or franchise tax return and be subject to the
11 personal jurisdiction of the department, the tax appeals commission, and the courts
12 of this state for the purpose of determining and collecting Wisconsin income and
13 franchise taxes, including estimated tax payments, together with any related
14 interest and penalties.

15 **SECTION 2133.** 71.775 (4) (b) 2. of the statutes is amended to read:

16 71.775 (4) (b) 2. ~~A pass-through entity that pays the tax withheld under sub.~~
17 ~~(2) as provided under subd. 1. is not subject to an underpayment of estimated tax~~
18 ~~under s. 71.09 or 71.29, if 90 percent of the tax that is due for the current taxable year~~
19 ~~is paid by the unextended due date or if 100 percent of the tax that is due for the~~
20 ~~taxable year immediately preceding the current taxable year is paid by the~~
21 ~~unextended due date and the taxable year immediately preceding the current~~
22 ~~taxable year was a 12-month period. Interest Except as provided in par. (f), interest~~
23 ~~at the rate of 12 percent shall be imposed on the unpaid amount of the tax withheld~~
24 ~~due under sub. (2) during any extension period and interest at the rate of 18 percent~~
25 ~~shall be imposed on the unpaid amount of the tax withheld due under sub. (2) for the~~

1 period beginning with the extended due date and ending with the date that the
2 unpaid amount is paid in full.

3 **SECTION 2134.** 71.775 (4) (d) of the statutes is amended to read:

4 71.775 (4) (d) A nonresident partner, member, shareholder, or beneficiary of a
5 pass-through entity may claim a credit, as prescribed by the department, on his or
6 her Wisconsin income or franchise tax return for the amount withheld under sub. (2)
7 on his or her behalf for the tax period for which the income of the pass-through entity
8 is reported. For purposes of this paragraph determining whether interest under s.
9 71.84 applies to a nonresident partner, member, shareholder, or beneficiary, the
10 amount withheld under sub. (2) is considered to be paid ~~on the last day of the~~
11 ~~pass-through entity's taxable year for which the tax is paid in 4 equal quarterly~~
12 installments.

13 **SECTION 2135.** 71.775 (4) (f) of the statutes is amended to read:

14 71.775 (4) (f) If a pass-through entity subject to withholding under this section
15 fails to ~~withhold pay the~~ tax as required by this section, the pass-through entity shall
16 be liable for any unpaid tax, interest, and penalties otherwise assessable to the
17 nonresident partner, member, shareholder, or beneficiary with respect to income
18 from the pass-through entity. If a nonresident partner, member, shareholder, or
19 beneficiary of the pass-through entity files a return and pays the tax due, the
20 pass-through entity shall not be liable for the tax, but shall be liable for ~~any interest~~
21 ~~and penalties otherwise applicable for failure to withhold,~~ as the penalty provided
22 under ss. 71.82 (2) (d) and s. 71.83 (1) (a) 1. and for any interest otherwise assessable
23 to the nonresident partner, member, shareholder, or beneficiary with respect to
24 income from the pass-through entity.

25 **SECTION 2135e.** 71.78 (2) of the statutes is amended to read:

1 71.78 (2) DISCLOSURE OF NET TAX. The department shall make available upon
2 suitable forms prepared by the department information setting forth the net
3 Wisconsin income tax, Wisconsin franchise tax, or Wisconsin gift tax reported as paid
4 or payable in the returns filed by any individual or corporation, and any amount of
5 delinquent taxes owed, ~~as described in s. 73.03 (62),~~ by any such individual or
6 corporation, for any individual year upon request. When making available
7 information setting forth the delinquent taxes owed by an individual or corporation,
8 the information shall include interest, penalties, fees, and costs, which are unpaid
9 for more than 90 days after all appeal rights have expired, except that such
10 information may not be provided for any person who has reached an agreement or
11 compromise with the department, or the department of justice, under s. 71.92 and
12 is in compliance with that agreement, regarding the payment of delinquent taxes,
13 or the name of any person who is protected by a stay that is in effect under the Federal
14 Bankruptcy Code. Before the request is granted, the person desiring to obtain the
15 information shall prove his or her identity and shall be required to sign a statement
16 setting forth the person's address and reason for making the request and indicating
17 that the person understands the provisions of this section with respect to the
18 divulgement, publication or dissemination of information obtained from returns as
19 provided in sub. (1). The use of a fictitious name is a violation of this section. Within
20 24 hours after any information from any such tax return has been so obtained, the
21 department shall mail to the person from whose return the information has been
22 obtained a notification which shall give the name and address of the person obtaining
23 the information and the reason assigned for requesting the information. The
24 department shall collect from the person requesting the information a fee of \$4 for
25 each return.

1 **SECTION 2136.** 71.80 (20) of the statutes is amended to read:

2 71.80 (20) ~~MAGNETIC MEDIA~~ ELECTRONIC FILING. If the internal revenue service
3 requires a person to file information returns or wage statements ~~on magnetic media~~
4 ~~or in other machine-readable form~~ electronically for federal income tax purposes, the
5 person shall also file the comparable state information returns or wage statements
6 ~~on magnetic media or in other machine-readable form~~ electronically with the
7 department of revenue for income or franchise tax purposes.

8 **SECTION 2137.** 71.805 of the statutes is created to read:

9 **71.805 Tax avoidance transactions voluntary compliance program. (1)**

10 DEFINITIONS. In this section:

11 (a) "Tax avoidance transaction" means a transaction, plan, or arrangement
12 devised for the principal purpose of avoiding federal or Wisconsin income or
13 franchise tax. "Tax avoidance transaction" includes a listed transaction as provided
14 under U.S. department of the treasury regulations as of the effective date of this
15 paragraph [revisor inserts date], and may include a transaction, as determined
16 by the department, that provides a tax benefit for Wisconsin income or franchise tax
17 purposes without providing a similar benefit for federal income tax purposes.

18 (b) "Taxpayer" means a person who is subject to the taxes imposed under this
19 chapter and who has a tax liability attributable to using a tax avoidance transaction
20 for any taxable year beginning before January 1, 2007.

21 **(2) PENALTY WAIVER OR ABATEMENT.** All of the following apply with regard to a
22 taxpayer who satisfies the conditions under sub. (3):

23 (a) Except as provided under sub. (4) (b), the department shall waive or abate
24 all penalties that are applicable to the underreporting or underpayment of Wisconsin

1 income or franchise taxes attributable to using a tax avoidance transaction for any
2 taxable year for which the taxpayer satisfies the conditions under sub. (3).

3 (b) The department shall not seek a criminal prosecution against the taxpayer
4 with respect to using a tax avoidance transaction for any taxable year for which the
5 taxpayer satisfies the conditions under sub. (3).

6 (3) TAXPAYER ELIGIBILITY. A taxpayer is eligible for the benefits described under
7 sub. (2) (a) and (b), if, during the period beginning on the first day of the 3rd month
8 beginning after publication ... [revisor inserts date], and ending on the last day of
9 the 7th month beginning after publication ... [revisor inserts date], the taxpayer
10 does the following:

11 (a) Files an amended Wisconsin tax return for each taxable year for which the
12 taxpayer has previously filed a Wisconsin tax return that uses a tax avoidance
13 transaction to underreport the taxpayer's Wisconsin income or franchise tax liability
14 and the amended return reports the total Wisconsin net income and tax for the
15 taxable year, computed without regard to any tax avoidance transaction and without
16 regard to any other adjustment that is unrelated to any tax avoidance transaction.

17 (b) Pays, in full, for each taxable year for which an amended return is filed
18 under par. (a), the entire amount of Wisconsin income or franchise tax and interest
19 due that is attributable to using a tax avoidance transaction, except that the
20 secretary of revenue may enter into an agreement with the taxpayer to make
21 payments in installments. A taxpayer who does not comply with an installment
22 agreement provided under this paragraph is ineligible to receive the benefits
23 described under sub. (2) (a) and (b) and the total amount of tax, interest, and
24 penalties shall be immediately due and payable.

1 **(4) LIMITATIONS AND ADMINISTRATION.** (a) A taxpayer who receives the benefits
2 described under sub. (2) may not file an appeal or a claim for credit or refund with
3 respect to the tax avoidance transactions for the taxable years for which the taxpayer
4 satisfied the conditions under sub. (3), except to the extent that a timely filed appeal
5 or claim for a refund results from an adjustment to the taxpayer's federal income tax
6 liability regarding such transactions.

7 (b) The department may not waive or abate a penalty as provided under sub.
8 (2) (a) if the penalty relates to an amount of Wisconsin income and franchise tax that
9 is attributable to a tax avoidance transaction and assessed and paid prior to the first
10 day of the 3rd month beginning after publication [revisor inserts date], or after
11 the last day of the 7th month beginning after publication [revisor inserts date].

12 **SECTION 2138.** 71.81 of the statutes is created to read:

13 **71.81 Disclosing reportable transactions. (1) DEFINITIONS.** In this section:

14 (a) "Listed transaction" means any reportable transaction that is the same as,
15 or substantially similar to, a transaction, plan, or arrangement specifically identified
16 by the U.S. secretary of the treasury as a listed transaction, for purposes of section
17 6011 of the Internal Revenue Code and that is specifically identified by the U.S.
18 secretary of the treasury as a listed transaction on or after the date the transaction
19 occurred.

20 (b) "Material advisor" means any person who provides any material aid,
21 assistance, or advice with respect to organizing, managing, promoting, selling,
22 implementing, insuring, or carrying out any reportable transaction and who, directly
23 or indirectly, derives gross income from providing such aid, assistance, or advice in
24 an amount that exceeds the threshold amount.

1 (c) "Reportable transaction" means any transaction, plan, or arrangement,
2 including a listed transaction, for which a taxpayer is required to submit information
3 to the department because the taxpayer is required to disclose the transaction, plan,
4 or arrangement for federal income tax purposes for the taxable year in which the
5 transaction occurred, as provided under U.S. department of treasury regulations.

6 (d) "Tax shelter" means any entity, plan, or arrangement, if avoiding or evading
7 federal income tax or Wisconsin income or franchise tax is a significant purpose of
8 the entity, plan, or arrangement.

9 (e) "Threshold amount" means the following:

10 1. In the case of a reportable transaction, not including a listed transaction,
11 from which the tax benefits are provided primarily to an individual, \$50,000.

12 2. In the case of a listed transaction from which the tax benefits are provided
13 primarily to an individual, \$10,000.

14 3. In the case of a reportable transaction, not including a listed transaction,
15 from which the tax benefits are provided primarily to an entity and not an individual,
16 \$250,000.

17 4. In the case of a listed transaction, from which the tax benefits are provided
18 primarily to an entity and not an individual, \$25,000.

19 (2) DISCLOSURE. For each taxable year in which a taxpayer has participated in
20 a reportable transaction, the taxpayer shall file with the department a copy of any
21 form required by the internal revenue service for disclosing the reportable
22 transaction for federal income tax purposes no later than 60 days after the date for
23 which the taxpayer is required to file the form for federal income tax purposes, except
24 that, if the taxpayer has filed a form with the internal revenue service on or before
25 the effective date of this subsection ... [revisor inserts date], the taxpayer shall file

1 a copy of the form with the department no later than the last day of the 7th month
2 beginning after publication [revisor inserts date]. The department may require
3 that forms filed with the department under this subsection be filed separately from
4 this state's income or franchise tax return. This subsection applies to any reportable
5 transaction entered into on or after January 1, 2001, or any reportable transaction
6 entered into prior to January 1, 2001, that reduced the taxpayer's tax liability for
7 taxable years beginning on or after January 1, 2001, for any taxable year for which
8 the transaction remains undisclosed and for which the statute of limitations on
9 assessment, including any extension provided under sub. (6), has not expired as of
10 the date that is 60 days after the effective date of this subsection [revisor inserts
11 date].

12 **(3) PENALTY FOR FAILING TO DISCLOSE.** (a) Any taxpayer who does not file the
13 form under sub. (2) and who is required to file the form is subject to the following
14 penalty:

15 1. If the taxpayer participated in a reportable transaction that is not a listed
16 transaction, the lesser of \$15,000 or 10 percent of the tax benefit obtained from the
17 reportable transaction.

18 2. If the taxpayer participated in a listed transaction, \$30,000.

19 (b) The secretary of revenue may waive or abate any penalty imposed under
20 this subsection, or any portion of such penalty, related to a reportable transaction
21 that is not a listed transaction, if the waiver or abatement promotes compliance with
22 this section and effective tax administration. Notwithstanding any other law or rule,
23 a determination by the secretary of revenue under this paragraph may not be
24 reviewed in any judicial proceeding.

1 (c) The penalties imposed under this subsection apply to any failure to disclose
2 a listed transaction entered into on or after January 1, 2001, or entered into prior to
3 January 1, 2001, that reduced the taxpayer's tax liability for taxable years beginning
4 on or after January 1, 2001, including transactions that were not listed transactions
5 when entered into, but became listed transactions before the effective date of this
6 paragraph [revisor inserts date], or any other reportable transaction entered into
7 after the effective date of this paragraph [revisor inserts date], for any taxable
8 year for which the statute of limitations on assessment, including any extension
9 under sub. (6), has not expired as of the effective date of this paragraph [revisor
10 inserts date].

11 (4) UNDERSTATEMENT PENALTY. (a) If a taxpayer has a reportable transaction
12 understatement, as determined in par. (b), the taxpayer shall pay, in addition to any
13 tax owed with regard to the reportable transaction, an amount equal to either 20
14 percent of the reportable transaction understatement or, in the case of a reportable
15 transaction that is not disclosed as provided in sub. (2), 30 percent of the reportable
16 transaction understatement.

17 (b) A taxpayer has a reportable transaction understatement if the following
18 calculation results in a positive number:

19 1. Multiply the taxpayer's highest applicable tax rate under s. 71.06, 71.27, or
20 71.46, by the amount of any increase in Wisconsin taxable income that results from
21 the difference between the proper tax treatment of a reportable transaction and the
22 taxpayer's treatment of the transaction as shown on the taxpayer's tax return,
23 including any amended return the taxpayer files before the date on which the
24 department first contacts the taxpayer regarding an examination of the taxable year
25 for which the amended return is filed. For purposes of this subdivision, the amount

1 of any increase in Wisconsin taxable income for a taxable year includes any reduction
2 in the amount of loss available for carry-forward to the subsequent year.

3 2. Add the amount determined under subd. 1. to the amount of any decrease
4 in the aggregate amount of Wisconsin income or franchise tax credits that results
5 from the difference between the proper tax treatment of a reportable transaction and
6 the taxpayer's treatment of the transaction as shown on the taxpayer's tax return.

7 (c) The secretary of revenue may waive or abate any penalty imposed under this
8 subsection, or any portion of such penalty, if the taxpayer demonstrates to the
9 department that the taxpayer had reasonable cause to act the way the taxpayer did,
10 and in good faith, with regard to the tax treatment for which the taxpayer is subject
11 to a penalty under this subsection and all facts relevant to the tax treatment are
12 adequately disclosed in the filing under sub. (2), except that, if the taxpayer does not
13 fully disclose such facts under sub. (2), the taxpayer's penalty may be waived or
14 abated under this paragraph if the taxpayer demonstrates to the department that
15 the taxpayer reasonably believed that the tax treatment for which the taxpayer is
16 subject to a penalty under this subsection was more likely than not the proper
17 treatment and substantial authority exists or existed for the tax treatment for which
18 the taxpayer is subject to a penalty under this subsection. Notwithstanding any
19 other law or rule, a determination by the secretary of revenue under this paragraph
20 may not be reviewed in any judicial proceeding.

21 (d) The penalties under par. (a) apply to any reportable transaction
22 understatement from a reportable transaction, including a listed transaction,
23 entered into on or after January 1, 2001, or entered into prior to January 1, 2001, that
24 reduced the taxpayer's tax liability for taxable years beginning on or after January
25 1, 2001, for any taxable year for which the statute of limitations on assessment,

1 including any extension provided under sub. (6), has not expired as of the effective
2 date of this paragraph [revisor inserts date].

3 (5) ADDITIONAL UNDERSTATEMENT PENALTY. (a) 1. In addition to the penalty
4 under sub. (4) (a), a taxpayer who files an amended return after the last day of the
5 7th month beginning after publication [revisor inserts date], and before the
6 taxpayer is contacted by the internal revenue service or the department regarding
7 a reportable transaction is subject to a penalty in an amount equal to 50 percent of
8 the interest assessed under s. 71.82 on any reportable transaction understatement,
9 as determined under sub. (4) (b), for the tax period for which the taxpayer files an
10 amended return.

11 2. If the internal revenue service or the department contacts a taxpayer after
12 the last day of the 7th month beginning after publication [revisor inserts date],
13 regarding a reportable transaction and the taxpayer is contacted before the taxpayer
14 files an amended return with respect to that transaction, the taxpayer is subject to
15 a penalty in an amount equal to the interest assessed under s. 71.82 on any
16 reportable transaction understatement, as determined under sub. (4) (b), for the tax
17 period for which the internal revenue service or the department contacts the
18 taxpayer.

19 (b) The penalties under par. (a) apply to any reportable transaction
20 understatement resulting from a reportable transaction, including a listed
21 transaction, entered into on or after January 1, 2001, or entered into prior to January
22 1, 2001, that reduced the taxpayer's tax liability for taxable years beginning on or
23 after January 1, 2001, for any taxable year for which the statute of limitations on
24 assessment, including any extension provided under sub. (6), has not expired as of
25 the effective date of this paragraph [revisor inserts date].

1 (c) The secretary of revenue may waive or abate any penalty imposed under this
2 subsection, or any portion of such penalty, if the taxpayer demonstrates to the
3 department that the taxpayer had reasonable cause to act the way the taxpayer did,
4 and in good faith, with regard to the tax treatment for which the taxpayer is subject
5 to a penalty under this subsection and all facts relevant to the tax treatment are
6 adequately disclosed in the filing under sub. (2), except that, if the taxpayer does not
7 fully disclose such facts under sub. (2), the taxpayer's penalty may be waived or
8 abated under this paragraph if the taxpayer demonstrates to the department that
9 the taxpayer reasonably believed that the tax treatment for which the taxpayer is
10 subject to a penalty under this subsection was more likely than not the proper
11 treatment and substantial authority exists or existed for the tax treatment for which
12 the taxpayer is subject to a penalty under this subsection. Notwithstanding any
13 other law or rule, a determination by the secretary of revenue under this paragraph
14 may not be reviewed in any judicial proceeding.

15 **(6) STATUTE OF LIMITATIONS EXTENSION.** (a) Except as provided in par. (b), if a
16 taxpayer fails to provide any information regarding a reportable transaction, other
17 than a listed transaction, under sub. (2), the time for assessing any tax imposed
18 under this chapter with respect to that transaction shall expire no later than the date
19 that is 6 years after the date on which the return for the taxable year in which the
20 reportable transaction occurred was filed. If a taxpayer fails to provide any
21 information regarding a listed transaction, under sub. (2), the time for assessing any
22 tax imposed under this chapter with respect to that transaction shall expire on the
23 latest of the following dates:

24 1. The date that is 6 years after the date on which the return for the taxable
25 year in which the listed transaction occurred was filed.

1 2. The date that is 12 months after the date on which the taxpayer provides
2 information regarding the listed transaction under sub. (2).

3 3. The date that is 12 months after the date on which the taxpayer's material
4 advisor provides, at the department's request, the list described in sub. (7) (b).

5 4. The date that is 4 years after the date on which the department discovers
6 a listed transaction that was a listed transaction on the date the transaction occurred
7 for which the taxpayer did not provide the information described under sub. (2) or
8 for which the taxpayer's material advisor did not provide the information described
9 under sub (7) (b).

10 (b) Any limitation determined under par. (a) may be extended by a written
11 agreement between the taxpayer and the department as provided under s. 71.77 (5).

12 (c) This subsection applies to any reportable transaction, including a listed
13 transaction entered into on or after January 1, 2001, or entered into prior to January
14 1, 2001, that reduced the taxpayer's tax liability for taxable years beginning on or
15 after January 1, 2001.

16 **(7) MATERIAL ADVISOR.** (a) Each material advisor who is required to disclose a
17 reportable transaction under section 6111 of the Internal Revenue Code shall file a
18 copy of the disclosure with the department no later than 60 days after the date for
19 which the material advisor is required to file the disclosure with the internal revenue
20 service, except that, if a material advisor files the disclosure with the internal
21 revenue service on or before the effective date of this paragraph [revisor inserts
22 date], the material advisor shall file a copy of the disclosure with the department no
23 later than the last day of the 7th month beginning after publication [revisor
24 inserts date].

1 (b) Each material advisor shall maintain a list that identifies each Wisconsin
2 taxpayer for whom the person provided services as a material advisor with respect
3 to a reportable transaction, regardless of whether the taxpayer is required to file the
4 form under sub. (2). Any material advisor who is required to maintain a list under
5 this paragraph shall provide the list to the department after receiving the
6 department's written request to provide the list and shall retain the information
7 contained in the list for 7 years or for the period determined by the department by
8 rule. If 2 or more material advisors are required under this paragraph to maintain
9 identical lists, the department may provide that only one of the material advisors
10 maintain the list.

11 (c) This subsection applies to reportable transactions, not including listed
12 transactions, for which a material advisor provides services after the effective date
13 of this paragraph [revisor inserts date], and listed transactions for which a
14 material advisor provides services, and were entered into, on or after January 1,
15 2001, or were entered into prior to January 1, 2001, and that reduced the taxpayer's
16 tax liability for taxable years beginning on or after January 1, 2001, regardless of
17 when the transactions became listed transactions.

18 **(8) MATERIAL ADVISOR PENALTIES.** (a) If a person who is required to file a
19 disclosure with the department as provided under sub. (7) (a) fails to file the
20 disclosure or files a disclosure containing false or incomplete information, the person
21 is subject to a penalty equal to the following amounts:

22 1. If the disclosure relates to a reportable transaction that is not a listed
23 transaction, \$15,000.

24 2. If the disclosure relates to a listed transaction, \$100,000.

1 (b) Any person who is required to maintain a list under sub. (7) (b) and who fails
2 to provide the list to the department no later than 20 business days after the date on
3 which the person receives the department's request to provide the list, as provided
4 under sub. (7) (b), shall pay a penalty to the department in an amount that is equal
5 to \$10,000 for each day that the person does not provide the list, beginning with the
6 day that is 21 business days after the date on which the person receives the
7 department's request.

8 (c) The secretary of revenue may waive or abate any penalty imposed under this
9 subsection, or any portion of such penalty, related to a reportable transaction that
10 is not a listed transaction, if the waiver or abatement promotes compliance with this
11 section and effective tax administration or, with regard to the penalty imposed under
12 par. (b), if, on each day after the time for providing the list without incurring a
13 penalty has expired, the person demonstrates to the department that the person's
14 failure to provide the list on that day is because of reasonable cause.
15 Notwithstanding any other law or rule, a determination by the secretary of revenue
16 under this paragraph may not be reviewed in any judicial proceeding.

17 **(9) TAX SHELTER PROMOTION.** (a) Beginning on the effective date of this
18 paragraph [revisor inserts date], any person who organizes or assists in
19 organizing a tax shelter, or directly or indirectly participates in the sale of any
20 interest in a tax shelter, and who makes or provides or causes another person to make
21 or provide, in connection with such organization or sale, a statement that the person
22 knows or has reason to know is false or fraudulent as to any material matter
23 regarding the allowability of any tax deduction or credit, the excludability of any
24 income, the manipulation of any allocation or apportionment rule, or the securing of
25 any other tax benefit resulting from holding an interest in the entity or participating

1 in the plan or arrangement, shall pay a penalty to the department, with respect to
2 each sale or act of organization described under this paragraph, in an amount equal
3 to 50 percent of the person's gross income derived from the sale or act.

4 (b) For purposes of administering this chapter, beginning on the effective date
5 of this paragraph [revisor inserts date], a written communication to any person,
6 director, officer, employee, agent, or representative of the person, or any other person
7 holding a capital or profits interest in the person, regarding the promotion of, or
8 advice with respect to, the person's direct or indirect participation in any tax shelter
9 is not considered a confidential or privileged communication.

10 (11) INJUNCTION. The department may commence an action in the circuit court
11 of Dane County to enjoin a person from taking any action, or failing to take any
12 action, that is subject to a penalty under this section or in violation of this section or
13 any rules that the department promulgates pursuant to this section.

14 **SECTION 2139.** 71.83 (1) (a) 1. of the statutes is amended to read:

15 71.83 (1) (a) 1. 'Failure to file.' In case of failure to file any return required
16 under s. 71.03, 71.24 ~~or~~, 71.44, or 71.775 on the due date prescribed therefor,
17 including any applicable extension of time for filing, unless it is shown that the
18 failure is due to reasonable cause and not due to willful neglect, there shall be added
19 to the amount required to be shown as tax on the return 5% of the amount of the tax
20 if the failure is for not more than one month, with an additional 5% for each
21 additional month or fraction thereof during which the failure continues, not
22 exceeding 25% in the aggregate. For purposes of this subdivision, the amount of tax
23 required to be shown on the return shall be reduced by the amount of any part of the
24 tax which is paid on or before the due date prescribed for payment and by the amount
25 of any credit against the tax which may be claimed upon the return.

1 **SECTION 2139e.** 71.83 (1) (a) 6. of the statutes is amended to read:

2 71.83 (1) (a) 6. 'Retirement plans.' Any natural person who is liable for a
3 penalty for federal income tax purposes under section 72 (m) (5), (q), (t), and (v), 4973,
4 4974, 4975, or 4980A of the ~~internal revenue code~~ Internal Revenue Code is liable
5 for 33% of the federal penalty unless the income received is exempt from taxation
6 under s. 71.05 (1) (a) or (ae). The penalties provided under this subdivision shall be
7 assessed, levied, and collected in the same manner as income or franchise taxes.

8 **SECTION 2140.** 71.90 (2) of the statutes is amended to read:

9 71.90 (2) ~~DEPOSIT WITH THE SECRETARY OF ADMINISTRATION~~ DEPARTMENT. At any
10 time while the petition is pending before the tax appeals commission or an appeal
11 in regard to that petition is pending in a court, the taxpayer may offer to deposit the
12 entire amount of the additional taxes, penalties, and fines, together with interest,
13 with the ~~secretary of administration~~. ~~If an offer to deposit is made, the department~~
14 ~~of revenue shall issue a certificate to the secretary of administration authorizing the~~
15 ~~secretary to accept payment of such taxes together with interest to the first day of~~
16 ~~the succeeding month and to give a receipt. A copy of the certificate shall be mailed~~
17 ~~to the taxpayer who shall pay the taxes and interest to the secretary of~~
18 ~~administration within 30 days. A copy of the receipt of the secretary of~~
19 ~~administration shall be filed with the department. The department shall, upon final~~
20 ~~determination of the appeal, certify to the secretary of administration the amount~~
21 ~~of the taxes as finally determined and direct the secretary of administration to refund~~
22 ~~to the appellant any portion of such payment which has been found to have been~~
23 ~~improperly assessed, including interest. The secretary of administration shall make~~
24 ~~the refunds directed by the certificate within 30 days after receipt. Taxes paid to the~~
25 ~~secretary of administration under this subsection shall be subject to the interest~~

1 ~~provided by ss. 71.82 and 71.91 (1) (c) only to the extent of the interest accrued on~~
2 ~~the taxes prior to the first day of the month succeeding the application for hearing.~~
3 ~~Any portion of the amount deposited with the secretary of administration which is~~
4 ~~refunded to the taxpayer shall bear interest at the rate of 9% per year during the time~~
5 ~~that the funds are on deposit.~~

6 **SECTION 2141.** 71.93 (1) (a) 2. of the statutes is amended to read:

7 71.93 (1) (a) 2. A delinquent child support or spousal support obligation that
8 has been reduced to a judgment and has been submitted by an agency of another
9 state to the department of ~~workforce development~~ children and families for
10 certification under this section.

11 **SECTION 2142.** 71.93 (1) (a) 4. of the statutes is amended to read:

12 71.93 (1) (a) 4. An amount that the department of ~~workforce development~~
13 children and families may recover under s. 49.161 or 49.195 (3) or collect under s.
14 49.147 (6) (cm), if the department of ~~workforce development~~ children and families
15 has certified the amount under s. 49.85.

16 **SECTION 2143m.** 73.01 (4) (e) 2. of the statutes is amended to read:

17 73.01 (4) (e) 2. Except for hearings on ss. 341.405 and 341.45, the department
18 of revenue may choose not to appeal and to nonacquiesce in the decision or order by
19 sending a notice of nonacquiescence to the clerk of the commission, to the ~~revisor of~~
20 ~~statutes~~ legislative reference bureau for publication in the Wisconsin administrative
21 register and to the taxpayer or the taxpayer's representative before the time expires
22 for seeking a review of the decision or order under s. 73.015. The effect of this action
23 is that, although the decision or order is binding on the parties for the instant case,
24 the commission's conclusions of law, the rationale and construction of statutes in the

1 instant case are not binding upon or required to be followed by the department of
2 revenue in other cases.

3 **SECTION 2146.** 73.03 (2a) of the statutes is amended to read:

4 73.03 (2a) To prepare, ~~have published and distribute to each property tax~~
5 ~~assessor and to others who so request~~ and publish, in electronic form and on the
6 Internet, assessment manuals. The manual shall discuss and illustrate accepted
7 assessment methods, techniques and practices with a view to more nearly uniform
8 and more consistent assessments of property at the local level. The manual shall be
9 amended by the department from time to time to reflect advances in the science of
10 assessment, court decisions concerning assessment practices, costs, and statistical
11 and other information considered valuable to local assessors by the department. The
12 manual shall incorporate standards for the assessment of all types of renewable
13 energy resource systems used in this state as soon as such systems are used in
14 sufficient numbers and sufficient data exists to allow the formulation of valid
15 guidelines. The manual shall incorporate standards, which the department of
16 revenue and the state historical society of Wisconsin shall develop, for the
17 assessment of nonhistoric property in historic districts and for the assessment of
18 historic property, including but not limited to property that is being preserved or
19 restored; property that is subject to a protective easement, covenant or other
20 restriction for historic preservation purposes; property that is listed in the national
21 register of historic places in Wisconsin or in this state's register of historic places and
22 property that is designated as a historic landmark and is subject to restrictions
23 imposed by a municipality or by a landmarks commission. The manual shall
24 incorporate general guidelines about ways to determine whether property is taxable
25 in part under s. 70.1105 and examples of the ways that s. 70.1105 applies in specific

1 situations. The manual shall state that assessors are required to comply with s. 70.32
2 (1g) and shall suggest procedures for doing so. The manual or a supplement to it shall
3 specify per acre value guidelines for each municipality for various categories of
4 agricultural land based on the income that could be generated from its estimated
5 rental for agricultural use, as defined by rule, and capitalization rates established
6 by rule. The manual shall include guidelines for classifying land as agricultural
7 land, as defined in s. 70.32 (2) (c) 1g., and guidelines for distinguishing between land
8 and improvements to land. The cost of the development, preparation, and Internet
9 publication and distribution of the manual and of revisions and amendments to it
10 shall be borne by the assessors and requesters at an individual volume cost or a
11 subscription cost as determined by the department. All receipts shall be credited to
12 paid from the appropriation under s. 20.566 (2) (hi). The department may provide
13 free assessment manuals to other state agencies or exchange them at no cost with
14 agencies of other states or of the federal government for similar information or
15 publications (b).

16 **SECTION 2147.** 73.03 (28e) of the statutes is created to read:

17 73.03 (28e) To participate as a member state of the streamlined sales tax
18 governing board which administers the agreement, as defined in s. 77.65 (2) (a), and
19 includes having the governing board enter into contracts that are necessary to
20 implement the agreement on behalf of the member states, and to allocate a portion
21 of the amount collected under ch. 77 through the agreement to the appropriation
22 under s. 20.566 (1) (ho) to pay the dues necessary to participate in the governing
23 board. The department shall allocate the remainder of such collections to the general
24 fund.

25 **SECTION 2148.** 73.03 (50) (c) of the statutes is amended to read:

1 73.03 (50) (c) In the case of an applicant who is an individual and who has a
2 social security number, sets forth the social security number of the applicant or, in
3 the case of an applicant who is an individual and who does not have a social security
4 number, submits a statement made or subscribed under oath or affirmation that the
5 applicant does not have a social security number. The form of the statement shall
6 be prescribed by the department of ~~workforce development~~ children and families. A
7 certificate issued in reliance upon a false statement submitted under this paragraph
8 is invalid.

9 **SECTION 2149.** 73.03 (50) (d) of the statutes is amended to read:

10 73.03 (50) (d) In the case of a sole proprietor, signs the form or, in the case of
11 other persons, has an individual who is authorized to act on behalf of the person sign
12 the form, or, in the case of a single-owner entity that is disregarded as a separate
13 entity under section 7701 of the Internal Revenue Code, the person is the owner. Any
14 person who may register under this subsection may designate an agent, as defined
15 in s. 77.524 (1) (ag), to register with the department under this subsection in the
16 manner prescribed by the department. In this paragraph, "sign" has the meaning
17 given in s. 77.51 (17r).

18 **SECTION 2150.** 73.03 (50b) of the statutes is created to read:

19 73.03 (50b) To waive the fee established under sub. (50) for applying for and
20 renewing the business tax registration certificate, if the person who is applying for
21 or renewing the certificate is not required for purposes of ch. 77 to hold such a
22 certificate.

23 **SECTION 2151.** 73.03 (50m) of the statutes is amended to read:

24 73.03 (50m) To enter into a memorandum of understanding with the
25 department of ~~workforce development~~ children and families under s. 49.857. The

1 department of revenue shall suspend, refuse to issue or refuse to renew any
2 certificate issued under sub. (50) as provided in the memorandum of understanding
3 entered into under s. 49.857. Notwithstanding ss. 71.78 and 77.61 (5), the
4 department of revenue shall disclose to the department of ~~workforce development~~
5 children and families the social security number of any applicant for a certificate
6 issued under sub. (50) as provided in the memorandum of understanding.

7 **SECTION 2152.** 73.03 (52n) of the statutes is created to read:

8 73.03 (52n) To enter into agreements with federally recognized tribes located
9 in this state that provide for offsetting state tax refunds against tribal obligations
10 and to charge a fee up to \$25 per transaction to the debtor for the administrative costs
11 of such setoffs. The administrative costs collected under this subsection shall be
12 credited to the appropriation under s. 20.566 (1) (h). Setoffs under ss. 71.93, 71.935,
13 and 73.03 (52) shall occur before setoffs under this subsection. Any legal proceeding
14 to contest a setoff under this subsection shall be brought against the tribe under the
15 process established by the tribe.

16 **SECTION 2153.** 73.03 (61) of the statutes is created to read:

17 73.03 (61) To do all of the following related to the Uniform Sales and Use Tax
18 Administration Act:

19 (a) Certify compliance with the agreement, as defined in s. 77.65 (2) (a).

20 (b) Pursuant to the agreement, as defined in s. 77.65 (2) (a), certify certified
21 service providers, as defined in s. 77.51 (1g), and certified automated systems, as
22 defined in s. 77.524 (1) (am).

23 (c) Consistent with the agreement, as defined in s. 77.65 (2) (a), establish
24 performance standards and eligibility criteria for a seller that sells tangible personal
25 property, items or property under s. 77.52 (1) (b) or (c), or taxable services in at least

1 5 states that are signatories to the agreement, as defined in s. 77.65 (2) (a); that has
2 total annual sales revenue of at least \$500,000,000; that has a proprietary system
3 that calculates the amount of tax owed to each taxing jurisdiction in which the seller
4 sells tangible personal property, items or property under s. 77.52 (1) (b) or (c), or
5 taxable services; and that has entered into a performance agreement with the states
6 that are signatories to the agreement, as defined in s. 77.65 (2) (a). For purposes of
7 this paragraph, "seller" includes an affiliated group of sellers using the same
8 proprietary system to calculate the amount of tax owed in each taxing jurisdiction
9 in which the sellers sell tangible personal property, items or property under s. 77.52
10 (1) (b) or (c), or taxable services.

11 (d) Issue a tax identification number to a person who claims an exemption
12 under subch. III or V of ch. 77 and who is not required to register with the department
13 for the purposes of subch. III or V of ch. 77 and establish procedures for the
14 registration of such a person.

15 (e) Maintain a database that is accessible to sellers and certified service
16 providers, as defined in s. 77.51 (1g), that indicates whether items defined in
17 accordance with the Uniform Sales and Use Tax Administration Act are taxable or
18 nontaxable.

19 (f) Maintain a database that is accessible to sellers and certified service
20 providers, as defined in s. 77.51 (1g), and available in a downloadable format, that
21 indicates tax rates, taxing jurisdiction boundaries, and zip code or address
22 assignments related to the administration of taxes imposed under subchs. III and V
23 of ch. 77.

1 (g) Set forth the information that the seller shall provide to the department for
2 tax exemptions claimed by purchasers and establish the manner in which a seller
3 shall provide such information to the department.

4 (h) Provide monetary allowances, in addition to the retailer's discount provided
5 under s. 77.61 (4) (c), to certified service providers, as defined in s. 77.51 (1g), and
6 sellers that use certified automated systems, as defined in s. 77.524 (1) (am), or
7 proprietary systems, pursuant to the agreement as defined in s. 77.65 (2) (a).

8 **SECTION 2153p.** 73.03 (62) of the statutes is amended to read:

9 73.03 (62) To prepare and maintain a list of all persons who owe delinquent
10 taxes, including interest, penalties, fees, and costs, to the department, in excess of
11 ~~\$25,000~~ \$5,000, which are unpaid for more than 90 days after all appeal rights have
12 expired, ~~and~~; to post the names of persons from this list on the Internet at a site that
13 is created and maintained by the department for this purpose; and to distribute the
14 posted information to Internet search engines so the information is searchable. The
15 Internet site shall list the name, address, type of tax due, and amount of tax due,
16 including interest, penalties, fees, and costs for each person who has one of the
17 delinquent taxpayer accounts, and the Internet site shall ~~also~~ contain a special page
18 for the persons who have the 100 largest delinquent taxpayer accounts. Except as
19 otherwise provided in this subsection, the department shall update the Internet site
20 on a quarterly basis, and shall send the updates to the Internet search engines. The
21 department may not post on the Internet or distribute to Internet search engines the
22 name of any person who has reached an agreement or compromise with the
23 department, or the department of justice, under s. 71.92 and is in compliance with
24 that agreement, regarding the payment of delinquent taxes, or the name of any
25 person who is protected by a stay that is in effect under the Federal Bankruptcy Code;

1 the Internet posting and Internet search engines shall be updated each business day,
2 as defined in s. 562.01 (3m), to comply with these prohibitions.

3 **SECTION 2154.** 73.03 (63) of the statutes is created to read:

4 73.03 (63) Notwithstanding the amount limitations specified under ss. 71.07
5 (5b) (c) 1. and (5d) (c) 1., 71.28 (5b) (c) 1., 71.47 (5b) (c) 1., and 560.205 (3) (d), in
6 consultation with the department of commerce, to carry forward to subsequent
7 taxable years unclaimed credit amounts of the early stage seed investment credits
8 under ss. 71.07 (5b), 71.28 (5b), and 71.47 (5b) and the angel investment credit under
9 s. 71.07 (5d). Annually, no later than July 1, the department of commerce shall
10 submit to the department of revenue its recommendations for the carry forward of
11 credit amounts as provided under this subsection.

12 **SECTION 2155.** 73.0301 (1) (d) 2. of the statutes is amended to read:

13 73.0301 (1) (d) 2. A license issued by the department of ~~health and family~~
14 ~~services~~ children and families under s. 48.66 (1) (a) to a child welfare agency, group
15 home, shelter care facility, or day care center, as required by s. 48.60, 48.625, 48.65,
16 or 938.22 (7).

17 **SECTION 2156m.** 73.0301 (1) (e) of the statutes, as affected by 2007 Wisconsin
18 Act 1, is amended to read:

19 73.0301 (1) (e) "Licensing department" means the department of
20 administration; the board of commissioners of public lands; the department of
21 commerce; the department of children and families; the government accountability
22 board; the department of financial institutions; the department of health and family
23 services; the department of natural resources; the department of public instruction;
24 the department of regulation and licensing; the department of workforce

1 development; the office of the commissioner of insurance; or the department of
2 transportation.

3 **SECTION 2157.** 73.0301 (2) (c) 1. am. of the statutes is amended to read:

4 73.0301 (2) (c) 1. am. If the applicant is an individual and does not have a social
5 security number, a statement made or subscribed under oath or affirmation that the
6 applicant does not have a social security number. The form of the statement shall
7 be prescribed by the department of ~~workforce development~~ children and families. A
8 license issued in reliance upon a false statement submitted under this subd. 1. am.
9 is invalid.

10 **SECTION 2158.** 73.0301 (2) (c) 2. of the statutes is amended to read:

11 73.0301 (2) (c) 2. A licensing department may not disclose any information
12 received under subd. 1. a. or b. to any person except to the department of revenue for
13 the purpose of requesting certifications under par. (b) 2. in accordance with the
14 memorandum of understanding under sub. (4) and administering state taxes or to
15 the department of ~~workforce development~~ children and families for the purpose of
16 administering s. 49.22.

17 **SECTION 2159.** 74.09 (3) (b) 6m. of the statutes is created to read:

18 74.09 (3) (b) 6m. The amount of the credit under s. 79.10 (5m) allocable to the
19 property for the previous year and the current year, and the percentage change
20 between those years.

21 **SECTION 2160.** 74.09 (3) (b) 7. of the statutes is amended to read:

22 74.09 (3) (b) 7. The amount obtained by subtracting the amount amounts under
23 subd. subs. 6. and 6m. from the amount under subd. 5., for the previous year and
24 the current year, and the percentage change in that amount between those years.

25 **SECTION 2161.** 76.07 (4g) (b) 8. of the statutes is amended to read:

1 76.07 (4g) (b) 8. Determine transport-related revenue by adding public service
2 revenue allocated to this state on the basis of routes for which the company is
3 authorized to receive subsidy payments, mutual aid allocated to this state on the
4 basis of the ratio of transport revenues allocated to this state to transport revenues
5 everywhere in the previous year, in-flight sales allocated to this state as they are
6 allocated under s. ~~77.51 (14r)~~ 77.522 and all other transport-related revenues from
7 sales made in this state.

8 **SECTION 2161g.** 76.29 (1) (f) of the statutes is amended to read:

9 76.29 (1) (f) "Tax period" means each calendar year or portion of a calendar year
10 ~~from January 1, 2004, to December 31, 2009.~~

11 **SECTION 2161h.** 76.29 (2) of the statutes is amended to read:

12 76.29 (2) IMPOSITION. There is imposed on every light, heat, and power company
13 and electric cooperative that owns an electric utility plant, an annual license fee to
14 be assessed by the department on or before May 1, 2005, and every May 1 thereafter,
15 ~~ending with the assessment on May 1, 2010,~~ measured by the gross revenues of the
16 preceding tax period in an amount equal to the apportionment factor multiplied by
17 gross revenues multiplied by 1.59%. The fee shall become delinquent if not paid
18 when due and when delinquent shall be subject to interest at the rate of 1.5% per
19 month until paid. ~~Gross revenues earned by a light, heat, and power company after~~
20 ~~December 31, 2009, are subject to the license fee imposed under s. 76.28 (2). Gross~~
21 ~~revenues earned by an electric cooperative after December 31, 2009, are subject to~~
22 ~~the license fee imposed under s. 76.48 (1r).~~

23 **SECTION 2161n.** 76.635 (1) (a) of the statutes is amended to read:

24 76.635 (1) (a) "Certified capital company" has the meaning given in s. 560.30
25 ~~(2)~~ 560.29 (1) (a).