

2009 DRAFTING REQUEST

Bill

Received: 12/01/2009

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Jim Sullivan (608) 266-2512

By/Representing: Amy

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Other - miscellaneous

Extra Copies:

Submit via email: YES

Requester's email: Sen.Sullivan@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Adopting Internal Revenue Code provisions related to individual retirement accounts

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 12/01/2009	jdyer 12/01/2009		_____			State Tax
/1			mduchek 12/01/2009	_____	lrb_docadmin 12/01/2009		State Tax
/2	jkreye 12/07/2009	jdyer 12/07/2009	mduchek 12/08/2009	_____	lparisi 12/08/2009	mbarman 12/10/2009	

FE Sent For: "1/2" @ intro. 12/23/09

<END>

2009 DRAFTING REQUEST

Bill

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Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Jim Sullivan (608) 266-2512

By/Representing: amy

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Other - miscellaneous

Extra Copies:

Submit via email: YES

Requester's email: Sen.Sullivan@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

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/1			mduchek 12/01/2009	_____	lrb_docadmin 12/01/2009		State Tax
/2	jkreye 12/07/2009	jdyer 12/07/2009	mduchek 12/08/2009	_____	lparisi 12/08/2009		

FE Sent For:

<END>

2009 DRAFTING REQUEST

Bill

Received: 12/01/2009

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Jim Sullivan (608) 266-2512**

By/Representing: **barb**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Other - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Sullivan@legis.wisconsin.gov**

Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

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Adopting Internal Revenue Code provisions related to individual retirement accounts

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/?	jkreye 12/01/2009	jdyer 12/01/2009		_____			State Tax
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/2	jkreye 12/07/2009	jdyer 12/07/2009	mduchek 12/08/2009	_____	lparisi 12/08/2009		

FE Sent For:

<END>

2009 DRAFTING REQUEST

Bill

Received: **12/01/2009** Received By: **jkreye**
Wanted: **As time permits** Identical to LRB:
For: **Russell Decker (608) 266-2502** By/Representing: **barb**
This file may be shown to any legislator: **NO** Drafter: **jkreye**
May Contact: Addl. Drafters:
Subject: **Tax, Other - miscellaneous** Extra Copies:

Submit via email: **YES**
Requester's email: **Sen.Decker@legis.wisconsin.gov**
Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Adopting Internal Revenue Code provisions related to individual retirement accounts

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 12/01/2009	jdyer 12/01/2009		_____			State Tax
/1			mduchek 12/01/2009	_____	lrb_docadmin 12/01/2009		State Tax
/2	jkreye 12/07/2009	jdyer 12/07/2009	mduchek 12/08/2009	_____	lparisi 12/08/2009		

FE Sent For:

<END>

2009 DRAFTING REQUEST

Bill

Received: 12/01/2009

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Russell Decker (608) 266-2502

By/Representing: barb

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Other - miscellaneous

Extra Copies: —

*Amy Handler
(Sen Sullivan's
Office)*

Submit via email: YES

Requester's email: Sen.Decker@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

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Instructions:

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Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 12/01/2009	jdye 12/01/2009					State Tax
/1		<i>12/7 jld</i>	mduchek 12/01/2009	<i>[Signature]</i>	lrb_docadmin 12/01/2009		

FE Sent For:

12/7 jld
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

<END>

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Bill

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By/Representing: barb

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May Contact:

Addl. Drafters:

Subject: Tax, Other - miscellaneous

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/?	jkreye	1/12 jld	11/12/11	_____	_____	_____	_____

FE Sent For:

<END>

Kreye, Joseph

From: Olin, Rick
Sent: Tuesday, December 01, 2009 8:15 AM
To: Worcester, Barbara
Cc: Kreye, Joseph; Reinhardt, Rob
Subject: RE: Ignore earlier email

Hi Barb:

SB 65 expands the \$5,000 deduction for retirement income that was enacted as part of 2007 Act 20. By "retirement account conversion issue," I assume you mean federalizing the IRC provision that waives the \$100,000 income limitation for converting traditional IRAs to Roth IRAs. That provision has been drafted as LRB 3843/1 and circulated for co-sponsors by Rep. Strachota. However, I cannot find it listed as "introduced" on the Legislature's website. I presume all we need is to have Joe redraft it as a Senate bill for Senator Decker. Please let Joe and me know if you don't want to proceed in this manner. Thanks,

Rick

From: Worcester, Barbara
Sent: Monday, November 30, 2009 5:27 PM
To: Olin, Rick
Subject: Ignore earlier email

Rick,

An couple of offices called me assuming that SB 65 addressed the retirement account conversion issue, but after reading the bill, it is obviously not related. To my knowledge, no bills have been introduced to "fix" this problem. Would you help me with providing drafting instructions to LRB?

Barb



State of Wisconsin
2009 - 2010 LEGISLATURE

3916/1
LRB-3843/1
JK:jld:jf
↑
stays

2009 BILL

in 12-1-09
Twoboy

x Regen

1 AN ACT *to amend* 71.01 (6) (um), 71.22 (4) (um), 71.22 (4m) (sm), 71.26 (2) (b) 22.,
2 71.34 (1g) (um) and 71.42 (2) (tm) of the statutes; **relating to:** adopting Internal
3 Revenue Code provisions related to individual retirement accounts.

Analysis by the Legislative Reference Bureau

Under federal law, section 512 of Public Law 109-222, the Tax Increase Prevention and Reconciliation Act of 2005, allows taxpayers who have adjusted gross income over \$100,000 to convert amounts from a traditional individual retirement account (IRA) to a Roth IRA and pay the federal tax on the IRA distribution over two years. This bill adopts section 512 of Public Law 109-222 for state income and franchise tax purposes.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 SECTION 1. 71.01 (6) (um) of the statutes, as created by 2009 Wisconsin Act 28,
5 is amended to read:

BILL**SECTION 1**

1 71.01 (6) (um) For taxable years that begin after December 31, 2008, for
2 natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust
3 or reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code
4 as amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L.
5 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
6 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,
7 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
8 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and
9 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403
10 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and
11 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
12 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section
13 301 of P.L. 109-73, 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, sections 101, 207, 209, 503, 512, and
15 513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28,
16 P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185,
17 P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L.
18 110-351 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
19 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.
20 102-90, 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. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
24 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
25 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.

BILL

1 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,
2 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.
3 107–134, P.L. 107–147, excluding sections 101 and 301 (a) of P.L. 107–147, P.L.
4 107–181, P.L. 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27, excluding sections
5 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201
6 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306,
7 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 102,
8 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375,
9 P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310,
10 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59,
11 excluding section 11146 of P.L. 109–59, 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. 109–151, P.L.
14 109–222, excluding sections 101, 207, 209, 503, ~~512~~, and 513 of P.L. 109–222, P.L.
15 109–227, P.L. 109–280, excluding sections 811 and 844 of P.L. 109–280, and P.L.
16 110–458, The Internal Revenue Code applies for Wisconsin purposes at the same
17 time as for federal purposes. Amendments to the federal Internal Revenue Code
18 enacted after December 31, 2008, do not apply to this paragraph with respect to
19 taxable years beginning after December 31, 2008.

20 **SECTION 2.** 71.22 (4) (um) ^x of the statutes, as created by 2009 Wisconsin Act 28,
21 is amended to read:

22 71.22 (4) (um) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
23 (1g), and 71.42 (2), “Internal Revenue Code,” for taxable years that begin after
24 December 31, 2008, means the federal Internal Revenue Code as amended to
25 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102–227, sections

BILL**SECTION 2**

1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
2 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.
3 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.
4 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.
5 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.
6 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
7 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
8 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.
9 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
10 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, ~~512~~, and 513 of P.L.
11 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.
12 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.
13 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,
14 and as indirectly affected in the provisions applicable to this subchapter by P.L.
15 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812
16 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
17 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
18 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
19 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
20 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.
21 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
22 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
23 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
24 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
25 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,

BILL

1 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.
2 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.
3 108-27, 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, 308, 316, 401, and 403
5 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336,
6 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7,
7 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
8 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
9 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
10 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
11 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
12 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding
13 sections 811 and 844 of P.L. 109-280, and P.L. 110-458. The Internal Revenue Code
14 applies for Wisconsin purposes at the same time as for federal purposes.
15 Amendments to the federal Internal Revenue Code enacted after December 31, 2008,
16 do not apply to this paragraph with respect to taxable years beginning after
17 December 31, 2008.

18 **SECTION 3.** 71.22 (4m) (sm) of the statutes, as created by 2009 Wisconsin Act
19 28, is amended to read:

20 71.22 (4m) (sm) For taxable years that begin after December 31, 2008,
21 "Internal Revenue Code," for corporations that are subject to a tax on unrelated
22 business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as
23 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227,
24 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections
25 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and

BILL**SECTION 3**

1 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of
2 P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of
3 P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of
4 P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
5 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
6 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301
7 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
8 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, ~~512~~, and 513 of
9 P.L. 109–222, sections 811 and 844 of P.L. 109–280, P.L. 109–432, P.L. 110–28, P.L.
10 110–140, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, P.L. 110–185, P.L.
11 110–234, P.L. 110–245, P.L. 110–289, P.L. 110–317, P.L. 110–343, and P.L. 110–351,
12 and as indirectly affected in the provisions applicable to this subchapter by P.L.
13 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.
14 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.
15 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150
16 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.
17 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),
18 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.
19 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.
20 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,
21 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.
22 107–134, P.L. 107–147, excluding sections 101 and 301 (a) of P.L. 107–147, P.L.
23 107–181, P.L. 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27, excluding sections
24 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201
25 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306,

BILL

1 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 102,
2 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375,
3 P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310,
4 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59,
5 excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L.
6 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section
7 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L.
8 109–222, 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 P.L.
10 110–458. The Internal Revenue Code applies for Wisconsin purposes at the same
11 time as for federal purposes. Amendments to the Internal Revenue Code enacted
12 after December 31, 2008, do not apply to this paragraph with respect to taxable years
13 beginning after December 31, 2008.

14 **SECTION 4.** 71.26 (2) (b) 22. ^X of the statutes, as created by 2009 Wisconsin Act
15 28, is amended to read:

16 71.26 (2) (b) 22. For taxable years that begin after December 31, 2008, for a
17 corporation, conduit, or common law trust which qualifies as a regulated investment
18 company, real estate mortgage investment conduit, real estate investment trust, or
19 financial asset securitization investment trust under the Internal Revenue Code as
20 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102–227,
21 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections
22 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and
23 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of
24 P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of
25 P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of

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1 P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
2 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
3 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301
4 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
5 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of
6 P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.
7 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.
8 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,
9 and as indirectly affected in the provisions applicable to this subchapter by P.L.
10 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.
11 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
12 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
13 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
14 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
15 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
16 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
17 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,
18 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.
19 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.
20 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections
21 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201
22 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
23 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,
24 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,
25 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,

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1 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59,
2 excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L.
3 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section
4 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L.
5 109–222, excluding sections 101, 207, 209, 503, ~~512~~, and 513 of P.L. 109–222, P.L.
6 109–227, P.L. 109–280, excluding sections 811 and 844 of P.L. 109–280, and P.L.
7 110–458, “net income” means the federal regulated investment company taxable
8 income, federal real estate mortgage investment conduit taxable income, federal real
9 estate investment trust or financial asset securitization investment trust taxable
10 income of the corporation, conduit, or trust as determined under the Internal
11 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and
12 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
13 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188,
14 sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L.
15 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections
16 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316,
17 401, and 403 (a) of P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
18 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323,
19 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L.
20 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section
21 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209,
22 503, ~~512~~, and 513 of P.L. 109–222, sections 811 and 844 of P.L. 109–280, P.L. 109–432,
23 P.L. 110–28, P.L. 110–140, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172,
24 P.L. 110–185, P.L. 110–234, P.L. 110–245, P.L. 110–289, P.L. 110–317, P.L. 110–343,
25 and P.L. 110–351, and as indirectly affected in the provisions applicable to this

BILL**SECTION 4**

1 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
2 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
3 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
4 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
5 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
6 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
7 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.
8 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,
9 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.
10 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.
11 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
12 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
13 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
14 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
15 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of
16 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
17 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
18 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
19 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
20 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
21 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.
22 109-222, P.L. 109-227, P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
23 and P.L. 110-458, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats.,
24 is required to be depreciated for taxable years 1983 to 1986 under the Internal
25 Revenue Code as amended to December 31, 1980, shall continue to be depreciated

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1 under the Internal Revenue Code as amended to December 31, 1980, and except that
2 the appropriate amount shall be added or subtracted to reflect differences between
3 the depreciation or adjusted basis for federal income tax purposes and the
4 depreciation or adjusted basis under this chapter of any property disposed of during
5 the taxable year. The Internal Revenue Code as amended to December 31, 2008,
6 excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171
7 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and
8 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165
9 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of
10 P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,
11 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211,
12 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305,
13 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,
14 section 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as
15 it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135,
16 sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L.
17 109-280, P.L. 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L.
18 110-166, P.L. 110-172, P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L.
19 110-317, P.L. 110-343, and P.L. 110-351, and as indirectly affected in the provisions
20 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
21 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
22 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
23 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
24 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
25 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.

BILL**SECTION 4**

1 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
2 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections
3 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
4 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections
5 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.
6 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
7 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
8 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
9 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
10 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.
11 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
12 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
13 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
14 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
15 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
16 209, 503, ~~512~~, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding
17 sections 811 and 844 of P.L. 109-280, and P.L. 110-458, applies for Wisconsin
18 purposes at the same time as for federal purposes. Amendments to the Internal
19 Revenue Code enacted after December 31, 2008, do not apply to this subdivision with
20 respect to taxable years that begin after December 31, 2008.

21 **SECTION 5.** 71.34 (1g) (um) ^x of the statutes, as created by 2009 Wisconsin Act
22 28, is amended to read:

23 71.34 (1g) (um) "Internal Revenue Code" for tax-option corporations, for
24 taxable years that begin after December 31, 2008, means the federal Internal
25 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and

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1 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
2 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
3 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.
4 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections
5 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,
6 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
7 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,
8 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.
9 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section
10 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,
11 503, ~~512~~, and 513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432,
12 P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172,
13 P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343,
14 and P.L. 110-351, and as indirectly affected in the provisions applicable to this
15 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2)
16 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008
17 (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.
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.

BILL**SECTION 5**

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, 102, 201, 211,
6 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476,
7 P.L. 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, P.L. 109-227, P.L. 109-280,
13 excluding sections 811 and 844 of P.L. 109-280, and P.L. 110-458 except that section
14 1366 (f) (relating to pass-through of items to shareholders) is modified by
15 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
16 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
17 purposes. Amendments to the federal Internal Revenue Code enacted after
18 December 31, 2008, do not apply to this paragraph with respect to taxable years
19 beginning after December 31, 2008.

20 **SECTION 6.** 71.42 (2) (tm) ^x of the statutes, as created by 2009 Wisconsin Act 28,
21 is amended to read:

22 71.42 (2) (tm) For taxable years that begin after December 31, 2008, "Internal
23 Revenue Code" means the federal Internal Revenue Code as amended to
24 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections
25 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),

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1 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L.
2 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L.
3 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L.
4 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L.
5 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
6 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
7 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L.
8 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
9 (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, 512, and 513 of P.L.
10 109–222, sections 811 and 844 of P.L. 109–280, P.L. 109–432, P.L. 110–28, P.L.
11 110–140, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, P.L. 110–185, P.L.
12 110–234, P.L. 110–245, P.L. 110–289, P.L. 110–317, P.L. 110–343, and P.L. 110–351,
13 and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73,
14 P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding
15 sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66,
16 excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,
17 P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding
18 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191,
19 P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277,
20 P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and
21 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16,
22 P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and
23 301 (a) of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, P.L. 107–358, P.L.
24 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L.
25 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L.

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1 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L.
2 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and
3 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding
4 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
5 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73,
6 excluding section 301 of P.L. 109-73, 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, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and
9 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding sections 811 and 844 of
10 P.L. 109-280, and P.L. 110-458, except that "Internal Revenue Code" does not
11 include section 847 of the federal Internal Revenue Code. The Internal Revenue
12 Code applies for Wisconsin purposes at the same time as for federal purposes.
13 Amendments to the federal Internal Revenue Code enacted after December 31, 2008,
14 do not apply to this paragraph with respect to taxable years beginning after
15 December 31, 2008.

16 (END)



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-3916/1
JK:jld:md

RMR

2009 BILL

in 12-7-09

due used 12-9

re gov

INSERT 1-3

X

1 AN ACT to amend 71.01 (6) (um), 71.22 (4) (um), 71.22 (4m) (sm), 71.26 (2) (b) 22.,
2 71.34 (1g) (um) and 71.42 (2) (tm) of the statutes; relating to: adopting Internal
3 Revenue Code provisions related to individual retirement accounts.

Analysis by the Legislative Reference Bureau

Under federal law, section 512 of Public Law 109-222, the Tax Increase Prevention and Reconciliation Act of 2005, allows taxpayers who have adjusted gross income over \$100,000 to convert amounts from a traditional individual retirement account (IRA) to a Roth IRA and pay the federal tax on the IRA distribution over two years. This bill adopts section 512 of Public Law 109-222 for state income and franchise tax purposes.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 SECTION 1. 71.01 (6) (um) of the statutes, as created by 2009 Wisconsin Act 28,
5 is amended to read:

INSERT A

BILL

1 ~~71.01 (6) (um) For taxable years that begin after December 31, 2008, for~~
2 ~~natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust~~
3 ~~or reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code~~
4 ~~as amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L.~~
5 ~~102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,~~
6 ~~sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,~~
7 ~~4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section~~
8 ~~431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and~~
9 ~~202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403~~
10 ~~(a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and~~
11 ~~910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,~~
12 ~~1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section~~
13 ~~301 of P.L. 109-73, 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, sections 101, 207, 209, 503, 512, and~~
15 ~~513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28,~~
16 ~~P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185,~~
17 ~~P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L.~~
18 ~~110-351 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.~~
19 ~~101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.~~
20 ~~102-90, 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. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),~~
24 ~~1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.~~
25 ~~105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.~~

BILL

1 ~~106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,~~
2 ~~P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.~~
3 ~~107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.~~
4 ~~107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections~~
5 ~~106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201~~
6 ~~of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,~~
7 ~~308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,~~
8 ~~201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,~~
9 ~~P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,~~
10 ~~1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,~~
11 ~~excluding section 11146 of P.L. 109-59, 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. 109-151, P.L.~~
14 ~~109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.~~
15 ~~109-227, P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and P.L.~~
16 ~~110-458, The Internal Revenue Code applies for Wisconsin purposes at the same~~
17 ~~time as for federal purposes. Amendments to the federal Internal Revenue Code~~
18 ~~enacted after December 31, 2008, do not apply to this paragraph with respect to~~
19 ~~taxable years beginning after December 31, 2008.~~

20 **SECTION 2.** ~~71.22 (4) (um) of the statutes, as created by 2009 Wisconsin Act 28,~~
21 ~~is amended to read:~~

22 ~~71.22 (4) (um) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34~~
23 ~~(1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after~~
24 ~~December 31, 2008, means the federal Internal Revenue Code as amended to~~
25 ~~December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections~~

BILL

1 ~~13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),~~
2 ~~1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.~~
3 ~~106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.~~
4 ~~107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.~~
5 ~~108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.~~
6 ~~108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.~~
7 ~~108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,~~
8 ~~1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.~~
9 ~~109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),~~
10 ~~(j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.~~
11 ~~109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.~~
12 ~~110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.~~
13 ~~110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,~~
14 ~~and as indirectly affected in the provisions applicable to this subchapter by P.L.~~
15 ~~99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812~~
16 ~~(c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.~~
17 ~~100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.~~
18 ~~102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.~~
19 ~~102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and~~
20 ~~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.~~
21 ~~104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.~~
22 ~~104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.~~
23 ~~105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,~~
24 ~~excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding~~
25 ~~section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,~~

BILL

1 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.
2 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.
3 108-27, 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, 308, 316, 401, and 403
5 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336,
6 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7,
7 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
8 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
9 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
10 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
11 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
12 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding
13 sections 811 and 844 of P.L. 109-280, and P.L. 110-458. The Internal Revenue Code
14 applies for Wisconsin purposes at the same time as for federal purposes.
15 Amendments to the federal Internal Revenue Code enacted after December 31, 2008,
16 do not apply to this paragraph with respect to taxable years beginning after
17 December 31, 2008.

18 **SECTION 3.** 71.22 (4m) (sm) of the statutes, as created by 2009 Wisconsin Act
19 28, is amended to read:

20 71.22 (4m) (sm) For taxable years that begin after December 31, 2008,
21 "Internal Revenue Code," for corporations that are subject to a tax on unrelated
22 business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as
23 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227,
24 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections
25 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and

BILL

9

1 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of
2 P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of
3 P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of
4 P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
5 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
6 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301
7 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
8 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of
9 P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.
10 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.
11 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,
12 and as indirectly affected in the provisions applicable to this subchapter by P.L.
13 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.
14 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
15 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
16 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
17 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
18 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
19 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
20 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,
21 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.
22 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.
23 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections
24 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201
25 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,

BILL

1 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,
2 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,
3 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,
4 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,
5 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.
6 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
7 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.
8 109-222, 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 P.L.
10 110-458. The Internal Revenue Code applies for Wisconsin purposes at the same
11 time as for federal purposes. Amendments to the Internal Revenue Code enacted
12 after December 31, 2008, do not apply to this paragraph with respect to taxable years
13 beginning after December 31, 2008.

14 **SECTION 4.** 71.26 (2) (b) 22. of the statutes, as created by 2009 Wisconsin Act
15 28, is amended to read:

16 71.26 (2) (b) 22. For taxable years that begin after December 31, 2008, for a
17 corporation, conduit, or common law trust which qualifies as a regulated investment
18 company, real estate mortgage investment conduit, real estate investment trust, or
19 financial asset securitization investment trust under the Internal Revenue Code as
20 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227,
21 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections
22 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and
23 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of
24 P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of
25 P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of

BILL

~~P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 14008 (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,~~

BILL

1 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,
2 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.
3 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
4 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.
5 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
6 109-227, P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and P.L.
7 110-458, "net income" means the federal regulated investment company taxable
8 income, federal real estate mortgage investment conduit taxable income, federal real
9 estate investment trust or financial asset securitization investment trust taxable
10 income of the corporation, conduit, or trust as determined under the Internal
11 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and
12 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
13 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
14 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.
15 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections
16 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,
17 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
18 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,
19 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.
20 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section
21 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,
22 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432,
23 P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172,
24 P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343,
25 and P.L. 110-351, and as indirectly affected in the provisions applicable to this

BILL

1 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
2 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
3 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
4 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
5 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
6 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
7 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.
8 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,
9 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.
10 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.
11 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
12 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
13 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
14 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
15 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of
16 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
17 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
18 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
19 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
20 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
21 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, ~~512~~, and 513 of P.L.
22 109-222, P.L. 109-227, P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
23 and P.L. 110-458, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats.,
24 is required to be depreciated for taxable years 1983 to 1986 under the Internal
25 Revenue Code as amended to December 31, 1980, shall continue to be depreciated

BILL

1 ~~under the Internal Revenue Code as amended to December 31, 1980, and except that~~
2 ~~the appropriate amount shall be added or subtracted to reflect differences between~~
3 ~~the depreciation or adjusted basis for federal income tax purposes and the~~
4 ~~depreciation or adjusted basis under this chapter of any property disposed of during~~
5 ~~the taxable year. The Internal Revenue Code as amended to December 31, 2008,~~
6 ~~excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171~~
7 ~~(d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and~~
8 ~~1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165~~
9 ~~of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of~~
10 ~~P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,~~
11 ~~sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211,~~
12 ~~242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305,~~
13 ~~1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,~~
14 ~~section 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as~~
15 ~~it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135,~~
16 ~~sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L.~~
17 ~~109-280, P.L. 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L.~~
18 ~~110-166, P.L. 110-172, P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L.~~
19 ~~110-317, P.L. 110-343, and P.L. 110-351, and as indirectly affected in the provisions~~
20 ~~applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.~~
21 ~~101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,~~
22 ~~excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.~~
23 ~~103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.~~
24 ~~103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,~~
25 ~~excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.~~

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1 ~~104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.~~
2 ~~105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections~~
3 ~~162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.~~
4 ~~107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections~~
5 ~~101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.~~
6 ~~107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.~~
7 ~~108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.~~
8 ~~108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.~~
9 ~~108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422,~~
10 ~~847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.~~
11 ~~109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,~~
12 ~~1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.~~
13 ~~109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding~~
14 ~~sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and~~
15 ~~(q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,~~
16 ~~209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding~~
17 ~~sections 811 and 844 of P.L. 109-280, and P.L. 110-458, applies for Wisconsin~~
18 ~~purposes at the same time as for federal purposes. Amendments to the Internal~~
19 ~~Revenue Code enacted after December 31, 2008, do not apply to this subdivision with~~
20 ~~respect to taxable years that begin after December 31, 2008.~~

21 **SECTION 5.** 71.34 (1g) (um) of the statutes, as created by 2009 Wisconsin Act
22 28, is amended to read:

23 71.34 (1g) (um) "Internal Revenue Code" for tax-option corporations, for
24 taxable years that begin after December 31, 2008, means the federal Internal
25 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and

BILL

1 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
2 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
3 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.
4 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections
5 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,
6 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
7 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,
8 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.
9 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section
10 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,
11 503, 512[✓], and 513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432,
12 P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172,
13 P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343,
14 and P.L. 110-351, and as indirectly affected in the provisions applicable to this
15 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2)
16 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008
17 (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.
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.

BILL**SECTION 5**

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, 102, 201, 211,
6 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476,
7 P.L. 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, P.L. 109-227, P.L. 109-280,
13 excluding sections 811 and 844 of P.L. 109-280, and P.L. 110-458 except that section
14 1366 (f) (relating to pass-through of items to shareholders) is modified by
15 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
16 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
17 purposes. Amendments to the federal Internal Revenue Code enacted after
18 December 31, 2008, do not apply to this paragraph with respect to taxable years
19 beginning after December 31, 2008.

20 **SECTION 6.** 71.42 (2) (tm) of the statutes, as created by 2009 Wisconsin Act 28,
21 is amended to read:

22 71.42 (2) (tm) For taxable years that begin after December 31, 2008, "Internal
23 Revenue Code" means the federal Internal Revenue Code as amended to
24 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections
25 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),

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9

1 ~~1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.~~
2 ~~106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.~~
3 ~~107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.~~
4 ~~108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.~~
5 ~~108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.~~
6 ~~108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,~~
7 ~~1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.~~
8 ~~109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),~~
9 ~~(j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.~~
10 ~~109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.~~
11 ~~110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.~~
12 ~~110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,~~
13 ~~and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73,~~
14 ~~P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding~~
15 ~~sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66,~~
16 ~~excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,~~
17 ~~P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding~~
18 ~~sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191,~~
19 ~~P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277,~~
20 ~~P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and~~
21 ~~165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16,~~
22 ~~P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and~~
23 ~~301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L.~~
24 ~~108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L.~~
25 ~~108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.~~

BILL

SECTION 6

Q

1 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L.
 2 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and
 3 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding
 4 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
 5 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73,
 6 excluding section 301 of P.L. 109-73, 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, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and
 9 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding sections 811 and 844 of
 10 P.L. 109-280, and P.L. 110-458, except that "Internal Revenue Code" does not
 11 include section 847 of the federal Internal Revenue Code. The Internal Revenue
 12 Code applies for Wisconsin purposes at the same time as for federal purposes.
 13 Amendments to the federal Internal Revenue Code enacted after December 31, 2008,
 14 do not apply to this paragraph with respect to taxable years beginning after
 15 December 31, 2008.

(END)

✓
 (INSERT
 16-16)