

1 enforcement or fire fighting personnel who were initially employed by the employer
2 before the effective date of this paragraph [LRB inserts date].

3 (b) An employer shall pay, on behalf of a represented law enforcement or fire
4 fighting employee, who was initially employed by the employer before the effective
5 date of this paragraph [LRB inserts date], and who on or after the effective date
6 of this paragraph [LRB inserts date], became employed in a nonrepresented law
7 enforcement or fire fighting managerial position with the employer, or a successor
8 employer in the event of a combined department that is created on or after the
9 effective date of this paragraph [LRB inserts date], the same contributions
10 required by sub. (1) that are paid by the employer for represented law enforcement
11 or fire fighting personnel who were initially employed by the employer before the
12 effective date of this paragraph [LRB inserts date].

13 **SECTION 1717.** 66.0101 (11) of the statutes is amended to read:

14 66.0101 (11) Sections 62.13 and 62.50 and chapter 589, laws of 1921, and
15 chapter 423, laws of 1923, shall be construed as enactments of statewide concern for
16 the purpose of providing uniform regulation of police ~~and, fire, and combined~~
17 protective services departments.

18 **SECTION 1719.** 66.0211 (5) of the statutes is amended to read:

19 66.0211 (5) CERTIFICATION OF INCORPORATION. If a majority of the votes in an
20 incorporation referendum are cast in favor of a village or city, the clerk of the circuit
21 court shall certify the fact to the secretary of state and supply the secretary of state
22 with a copy of a description of the legal boundaries of the village or city and the
23 associated population and a copy of a plat of the village or city. Within 10 days of
24 receipt of the description and plat, the secretary of state shall forward 2 copies to the
25 department of transportation and one copy each to the department of

1 administration, and the department of revenue ~~and the department of commerce~~.
2 The secretary of state shall issue a certificate of incorporation and record the
3 certificate.

4 **SECTION 1719d.** 66.0235 (5) of the statutes is amended to read:

5 66.0235 (5) APPORTIONMENT BOARD. The boards or councils of the local
6 governmental units, or committees selected for that purpose, acting together,
7 constitute an apportionment board. When a local governmental unit is dissolved
8 because all of its territory is transferred the board or council of the local
9 governmental unit existing at the time of dissolution shall, for the purpose of this
10 section, continue to exist as the governing body of the local governmental unit until
11 there has been an apportionment of assets by agreement of the interested local
12 governmental units or by an order of the circuit court. After an agreement for
13 apportionment of assets has been entered into between the interested local
14 governmental units, or an order of the circuit court becomes final, a copy of the
15 apportionment agreement, or of the order, certified to by the clerks of the interested
16 local governmental units, shall be filed with the department of revenue, the
17 department of natural resources, the department of transportation, the state
18 superintendent of public instruction, the department of administration, and with
19 any other department or agency of the state from which the town may be entitled by
20 law to receive funds or certifications or orders relating to the distribution or
21 disbursement of funds, with the county treasurer, with the treasurer of any local
22 governmental unit, or with any other entity from which payment would have become
23 due if the dissolved local governmental unit had continued in existence. Subject to
24 ss. 79.006 and 86.303 (4), ~~payments from the shared revenue account made pursuant~~
25 ~~to ch. 79,~~ payments of forest crop taxes under s. 77.05, of transportation aids under

1 s. 20.395, of state aids for school purposes under ch. 121, payments for managed
2 forest land under subch. VI of ch. 77 and all payments due from a department or
3 agency of the state, from a county, from a local governmental unit, or from any other
4 entity from which payments would have become due if the dissolved local
5 governmental unit had continued in existence, shall be paid to the interested local
6 governmental unit as provided by the agreement for apportionment of assets or by
7 any order of apportionment by the circuit court and the payments have the same
8 force and effect as if made to the dissolved local governmental unit.

9 **SECTION 1720b.** 66.0301 (1) (a) of the statutes is amended to read:

10 66.0301 (1) (a) Except as provided in pars. (b) and (c), in this section
11 “municipality” means the state or any department or agency thereof, or any city,
12 village, town, county, school district, public library system, public inland lake
13 protection and rehabilitation district, sanitary district, farm drainage district,
14 metropolitan sewerage district, sewer utility district, solid waste management
15 system created under s. 59.70 (2), local exposition district created under subch. II of
16 ch. 229, local professional baseball park district created under subch. III of ch. 229,
17 local professional football stadium district created under subch. IV of ch. 229, local
18 cultural arts district created under subch. V of ch. 229, ~~transit authority created~~
19 ~~under s. 66.1039~~, long-term care district under s. 46.2895, water utility district,
20 mosquito control district, municipal electric company, county or city transit
21 commission, commission created by contract under this section, taxation district,
22 regional planning commission, housing authority created under s. 66.1201,
23 redevelopment authority created under s. 66.1333, community development
24 authority created under s. 66.1335, or city-county health department.

25 **SECTION 1720d.** 66.0304 (1) (b) of the statutes is amended to read:

1 66.0304 (1) (b) “Bond” means any bond, note or other obligation of a commission
2 issued or entered into under this section, including any refunding bond or certificate
3 of participation or lease-purchase, installment sale, or other financing agreement.

4 **SECTION 1720e.** 66.0304 (1) (e) of the statutes is amended to read:

5 66.0304 (1) (e) “Participant” means any public or private entity or
6 unincorporated association, including a federally recognized Indian tribe or band,
7 that contracts with a commission for the purpose of financing or refinancing a project
8 that is owned, sponsored, or controlled by the public or private entity or
9 unincorporated association.

10 **SECTION 1720f.** 66.0304 (1) (f) of the statutes is amended to read:

11 66.0304 (1) (f) “Political subdivision” means any city, village, town, or county
12 in this state or any city, village, town, county, district, office, department, authority,
13 agency, commission, or other similar governmental entity in another state or
14 territory of the United States.

15 **SECTION 1720h.** 66.0304 (4) (i) of the statutes is amended to read:

16 66.0304 (4) (i) Make loans to, lease property from or to, or enter into any other
17 kind of an agreement with a participant or other entity, in connection with financing
18 or refinancing a project.

19 **SECTION 1720i.** 66.0304 (4) (k) of the statutes is amended to read:

20 66.0304 (4) (k) Assign or pledge any portion of its interests in projects,
21 mortgages, deeds of trust, indentures of mortgage or trust, leases, purchase or sale
22 agreements or other financing agreements, or similar instruments, bonds, notes, and
23 security interests in property, of a participant, or contracts entered into or acquired
24 in connection with bonds.

25 **SECTION 1720j.** 66.0304 (4) (p) of the statutes is amended to read:

1 66.0304 (4) (p) Purchase bonds issued by or on behalf of, or held by, any
2 participant, the state or a department, authority, or agency of the state, or any
3 political subdivision. Bonds purchased under this paragraph may be held by the
4 commission or sold, in whole or in part, separately or together with other bonds
5 issued by the commission.

6 **SECTION 1720L.** 66.0304 (5) (am) of the statutes is created to read:

7 66.0304 (5) (am) Notwithstanding par. (a), as an alternative to specifying the
8 matters required to be specified in the bond resolution under par. (a), the resolution
9 may specify members of the board or officers or employees of the commission, by
10 name or position, to whom the commission delegates authority to determine which
11 of the matters under specified par. (a), and any other matters that the commission
12 deems appropriate, for inclusion in the trust agreement, indenture, or other
13 agreement providing for issuance of the bonds as finally executed. A resolution
14 under this paragraph shall specify at least all of the following:

- 15 1. The maximum principal amount of bonds to be issued.
- 16 2. The maximum term of the bonds.
- 17 3. The maximum interest rate to be borne by the bonds.

18 **SECTION 1720m.** 66.0304 (5) (d) of the statutes is amended to read:

19 66.0304 (5) (d) The proceeds of a bond issued under this section may be used
20 for a ~~project in one or more projects located within or outside of this state or any other~~
21 state.

22 **SECTION 1720p.** ✓ 66.0304 (11) (a) of the statutes is amended to read:

23 66.0304 (11) (a) A commission may not ~~authorize~~ issue bonds to finance a
24 capital improvement project in any state or territory of the United States unless a
25 political subdivision within whose boundaries the project is to be located has

1 approved the financing of the project. A commission may not authorize issue bonds
2 to finance a capital improvement project in this state unless all of the political
3 subdivisions within whose boundaries the project is to be located has approved the
4 financing of the project. An approval under this paragraph may be made by the
5 governing body of the political subdivision or, except for a 1st class city or a county
6 in which a 1st class city is located, by the highest ranking executive or administrator
7 of the political subdivision. ✓

8 **SECTION 1720pm.** 66.0304 (11) (c) of the statutes is amended to read:

9 66.0304 (11) (c) Any action brought to challenge the validity of the proposed
10 issuance of a bond under this section, or the enforceability of a contract entered into
11 under this section, must be commenced in circuit court within 30 days of the
12 commission adopting a resolution authorizing the issuance of the bond or the
13 execution of the contract. ✓

14 **SECTION 1720q.** 66.0304 (11) (e) 1. of the statutes is repealed.

15 **SECTION 1720s.** 66.0304 (11) (e) 2. of the statutes is renumbered 66.0304 (11)
16 (e).

17 **SECTION 1721.** 66.0309 (3) (a) 3. of the statutes is repealed.

18 **SECTION 1721g.** ✓ 66.0506 of the statutes, as created by 2011 Wisconsin Act 10,
19 is repealed and recreated to read:

20 **66.0506 Referendum; increase in employee wages.** (1) In this section,
21 “local governmental unit” means any city, village, town, county, metropolitan
22 sewerage district, long-term care district, transit authority under s. 59.58 (7) or
23 66.1039, local cultural arts district under subch. V of ch. 229, or any other political
24 subdivision of the state, or instrumentality of one or more political subdivisions of
25 the state.

1 **(2)** If any local governmental unit wishes to increase the total base wages of
2 its general municipal employees, as defined in s. 111.70 (1) (fm), who are part of a
3 collective bargaining unit under subch. IV of ch. 111, in an amount that exceeds the
4 limit under s. 111.70 (4) (mb) 2., the governing body of the local governmental unit
5 shall adopt a resolution to that effect. The resolution shall specify the amount by
6 which the proposed total base wages increase will exceed the limit under s. 111.70
7 (4) (mb) 2. The resolution may not take effect unless it is approved in a referendum
8 called for that purpose. The referendum shall occur in November for collective
9 bargaining agreements that begin the following January 1. The results of a
10 referendum apply to the total base wages only in the next collective bargaining
11 agreement. ✓

12 **(3)** The referendum question shall be substantially as follows: “Shall the
13 [general municipal employees] in the [local governmental unit] receive a total
14 increase in wages from \$....[current total base wages] to \$....[proposed total base
15 wages], which is a percentage wage increase that is [x] percent higher than the
16 percent of the consumer price index increase, for a total percentage increase in wages
17 of [x]?” ✓

18 **SECTION 1721u.** ✓ 66.0602 (1) (au) of the statutes is created to read:

19 66.0602 (1) (au) “Municipality” means a city, village, or town.

20 **SECTION 1722b.** 66.0602 (1) (d) of the statutes is renumbered 66.0602 (1) (d)
21 (intro.) and amended to read:

22 66.0602 (1) (d) (intro.) “Valuation factor” means a percentage equal to the
23 greater of either ~~3 percent~~ or the percentage change in the political subdivision’s
24 January 1 equalized value due to new construction less improvements removed
25 between the previous year and the current year. or one of the following:

1 **SECTION 1722c.** 66.0602 (1) (d) 1. of the statutes is created to read:

2 66.0602 (1) (d) 1. For the levy that is imposed in December 2011 and December
3 2012, zero percent.

4 **SECTION 1722d.** 66.0602 (1) (d) 2. of the statutes is created to read:

5 66.0602 (1) (d) 2. For the levy that is imposed in December 2013 and in every
6 succeeding December, 1.5 percent.

7 **SECTION 1723.** 66.0602 (2) of the statutes is amended to read:

8 66.0602 (2) LEVY LIMIT. Except as provided in subs. (3), (4), and (5), no political
9 subdivision may increase its levy in any year by a percentage that exceeds the
10 political subdivision's valuation factor. The base amount in any year, to which the
11 limit under this section applies, shall be the ~~maximum allowable~~ actual levy for the
12 immediately preceding year. In determining its levy in any year, a city, village, or
13 town shall subtract any tax increment that is calculated under s. 59.57 (3) (a), 60.85
14 (1) (L), or 66.1105 (2) (i). The base amount in any year, to which the limit under this
15 section applies, may not include any amount to which sub. (3) (e) 8. applies.

16 **SECTION 1724.** 66.0602 (2m) of the statutes is created to read:

17 66.0602 (2m) NEGATIVE ADJUSTMENT. If a political subdivision's levy for the
18 payment of any general obligation debt service, including debt service on debt issued
19 or reissued to fund or refund outstanding obligations of the political subdivision and
20 interest on outstanding obligations of the political subdivision, on debt originally
21 issued before July 1, 2005, is less in the current year than it was in the previous year,
22 the political subdivision shall reduce its levy limit in the current year by an amount
23 equal to the amount that its levy was reduced as described in this subsection. This
24 subsection does not apply to any political subdivision that does not increase its levy
25 increase limit as allowed under sub. (3) (f) 1.

1 **SECTION 1724d.** 66.0602 (3) (cm) of the statutes is repealed.

2 **SECTION 1724h.** 66.0602 (3) (e) 9. of the statutes is created to read:

3 66.0602 (3) (e) 9. The political subdivision's share of any refund or rescission
4 determined by the department of revenue and certified under s. 74.41 (5).

5 **SECTION 1724k.** 66.0602 (3) (f) of the statutes is created to read:

6 66.0602 (3) (f) 1. Subject to subd. 3., if a political subdivision's allowable levy
7 under this section in 2010 was greater than its actual levy in 2010, the levy increase
8 limit otherwise applicable under this section to the political subdivision in 2011 is
9 increased by the difference between these 2 amounts, as determined by the
10 department of revenue, up to a maximum increase of 0.5 percent of the actual levy
11 in 2010.

12 2. Subject to subd. 3., if a political subdivision's allowable levy under this
13 section in 2011 was greater than its actual levy in 2011, the levy increase limit
14 otherwise applicable under this section to the political subdivision in 2012 is
15 increased by the difference between these 2 amounts, as determined by the
16 department of revenue, up to a maximum increase of 0.5 percent of the actual levy
17 in 2011.

18 3. The adjustment described in subds. 1. and 2. may occur only if the political
19 subdivision's governing body approves of the adjustment by one of the following
20 methods:

21 a. With regard to a city, village, or county, if the governing body consists of at
22 least 5 members, by a three-quarters majority vote of the governing body.

23 b. With regard to a city, village, or county, if the governing body consists of fewer
24 than 5 members, by a two-thirds majority vote of the governing body.

1 c. With a regard to a town, by a majority vote of the annual town meeting, or
2 a special town meeting, if the town board has adopted a resolution approving of the
3 adjustment by a two-thirds majority vote of the town board.

4 4. If a political subdivision's allowable levy under this section in 2012, or any
5 year thereafter, was greater than its actual levy in that year, the levy increase limit
6 otherwise applicable under this section to the political subdivision in the next
7 succeeding year is increased by the difference between the prior year's allowable levy
8 and the prior year's actual levy, as determined by the department of revenue, up to
9 a maximum increase of 0.5 percent of the actual levy in that prior year.

10 **SECTION 1724p.** 66.0602 (3) (j) of the statutes is created to read:

11 66.0602 (3) (j) 1. Subject to subd. 2., if a municipality experiences a shortfall
12 in its general fund due to a loss of revenue received by the municipality from the sale
13 of water or another commodity to a manufacturing facility as a result of the
14 manufacturer discontinuing operations at the facility, the limit otherwise applicable
15 under this section may be increased by the amount that the municipality levies to
16 make up for the revenue shortfall.

17 2. The maximum adjustment claimed under subd. 1. shall equal the revenue
18 received by the municipality from the sale of water or another commodity, as
19 described in subd. 1., in the year prior to the year in which the manufacturing facility
20 closed. A municipality may claim the adjustment in more than one year, except that
21 the sum of all such adjustments may not exceed the revenue loss to the municipality's
22 general fund in the year that the manufacturer discontinues operations at the
23 facility.

24 **SECTION 1725c.** 66.0602 (7) of the statutes is repealed.

25 **SECTION 1725e.** ✓ 66.0604 of the statutes is created to read:

OF

66.0604 Payment of employer contributions in retirement systems. (1)

In this section, "local governmental unit" has the meaning given in s. 66.0131 (1) (a).

(2) Annually, no later than December 31, each local governmental unit shall pay employer contributions into the retirement system in which its employees are participating employees an amount that is at least equal to all employee required contributions under that retirement system. ✓

SECTION 1725m. 66.0615 (1m) (d) 7. of the statutes is created to read:

66.0615 (1m) (d) 7. Notwithstanding the provisions of subds. 1. and 2., any amount of room tax revenue that a municipality described under s. 77.994 (3) is required to spend on tourism promotion and development shall be forwarded to, and spent by, the municipality's tourism entity, unless the municipality creates a commission and forwards the revenue to the commission.

SECTION 1727d. 66.0901 (1) (bm) of the statutes is created to read:

66.0901 (1) (bm) "Political subdivision" means a city, village, town, or county.

SECTION 1727e. 66.0901 (1m) of the statutes is created to read:

66.0901 (1m) METHOD OF BIDDING. (a) Except when necessary to secure federal aid, whenever a political subdivision lets a public contract by bidding, the political subdivision shall comply with all of the following:

1. The bidding shall be on the basis of sealed competitive bids.
2. The contract shall be awarded to the lowest responsible bidder.

(b) Except when necessary to secure federal aid, a political subdivision may not use a bidding method that gives preference based on the geographic location of the bidder or that uses criteria other than the lowest responsible bidder in awarding a contract.

1 **SECTION 1727L.** 66.0901 (11) of the statutes is created to read:

2 66.0901 (11) LIMITATION ON PERFORMANCE OF PRIVATE CONSTRUCTION WORK BY
3 POLITICAL SUBDIVISIONS. (a) In this subsection, “construction project” means a road,
4 sewer, water, stormwater, wastewater, grading, parking lot, or other
5 infrastructure-related project or the provision of construction-related services for
6 such a project.

7 (b) A political subdivision may not use its own workforce to perform a
8 construction project for which a private person is financially responsible.

9 **SECTION 1727m.** 66.0903 (1) (d) of the statutes is amended to read:

10 66.0903 (1) (d) “Local governmental unit” means a political subdivision of this
11 state, a special purpose district in this state, an instrumentality or corporation of
12 such a political subdivision or special purpose district, a combination or subunit of
13 any of the foregoing or an instrumentality of the state and any of the foregoing.
14 ~~“Local governmental unit” includes a regional transit authority created under s.~~
15 ~~66.1039 and the southeastern regional transit authority created under s. 59.58 (7).~~

16 **SECTION 1727mb.** 66.0903 (1) (dr) of the statutes is amended to read:

17 66.0903 (1) (dr) “Minor service or maintenance work” means a project of public
18 works that is limited to minor crack filling, chip or slurry sealing, or other minor
19 pavement patching, not including overlays, that has a projected life span of no longer
20 than 5 years or that is performed for a town and is not funded under s. 86.31,
21 regardless of projected life span; the depositing of gravel on an existing gravel road
22 applied solely to maintain the road; road shoulder maintenance; cleaning of drainage
23 or sewer ditches or structures; or any other limited, minor work on public facilities
24 or equipment that is routinely performed to prevent breakdown or deterioration.

25 **SECTION 1727mc.** 66.0903 (1) (em) of the statutes is created to read:

1 66.0903 (1) (em) “Multiple-trade project of public works” has the meaning
2 given in s. 103.49 (1) (br).

3 **SECTION 1727md.** 66.0903 (1) (hm) of the statutes is created to read:

4 66.0903 (1) (hm) “Single-trade project of public works” has the meaning given
5 in s. 103.49 (1) (em).

6 **SECTION 1727me.** 66.0903 (1m) of the statutes is created to read:

7 66.0903 (**1m**) STATEWIDE CONCERN; UNIFORMITY. (a) In this subsection, “publicly
8 funded private construction project” means a construction project in which the
9 developer, investor, or owner of the project receives direct financial assistance from
10 a local governmental unit for the erection, construction, repair, remodeling,
11 demolition, including any alteration, painting, decorating, or grading, of a private
12 facility, including land, a building, or other infrastructure. “Publicly funded private
13 construction project” does not include a project of public works or a housing project
14 involving the erection, construction, repair, remodeling, or demolition of any of the
15 following:

16 1. A residential property, if the project is supported by affordable housing
17 grants, home improvement grants, or grants from a local housing trust fund.

18 2. A residential property containing 4 dwelling units or less.

19 3. A residential property that contains retail, office, or commercial components,
20 if the project is intended to increase the supply of affordable housing in a community.

21 (b) The legislature finds that the enactment of ordinances or other enactments
22 by local governmental units requiring laborers, workers, mechanics, and truck
23 drivers employed on projects of public works or on publicly funded private
24 construction projects to be paid the prevailing wage rate and to be paid at least 1.5
25 times their hourly basic rate of pay for hours worked in excess of the prevailing hours

1 of labor would be logically inconsistent with, would defeat the purpose of, and would
2 go against the spirit of this section and the repeal of s. 66.0904, 2009 stats. Therefore,
3 this section shall be construed as an enactment of statewide concern for the purpose
4 of providing uniform prevailing wage rate and prevailing hours of labor
5 requirements throughout the state.

6 (c) A local governmental unit may not enact and administer an ordinance or
7 other enactment requiring laborers, workers, mechanics, and truck drivers
8 employed on projects of public works or on publicly funded private construction
9 projects to be paid the prevailing wage rate and to be paid at least 1.5 times their
10 hourly basic rate of pay for hours worked in excess of the prevailing hours of labor
11 or any similar ordinance or enactment. Any such ordinance or other enactment that
12 is in effect on the day before the effective date of this subsection [LRB inserts
13 date], is void.

14 **SECTION 1727mf.** 66.0903 (2) (c) of the statutes is amended to read:

15 66.0903 (2) (c) A project in which the completed facility is leased, purchased,
16 lease purchased, or otherwise acquired by, or dedicated to, a local governmental unit
17 in lieu of the local governmental unit contracting for the erection, construction,
18 repair, remodeling, or demolition of the facility.

19 **SECTION 1727mi.** 66.0903 (3) (av) of the statutes is amended to read:

20 66.0903 (3) (av) In determining prevailing wage rates under par. (am) or (ar),
21 the department may not use data from projects that are subject to this section, s.
22 ~~66.0904~~, 103.49, or 103.50, or 40 USC 3142 unless the department determines that
23 there is insufficient wage data in the area to determine those prevailing wage rates,
24 in which case the department may use data from projects that are subject to this
25 section, s. ~~66.0904~~, 103.49, or 103.50, or 40 USC 3142. In determining prevailing

1 wage rates under par. (am) or (ar), the department may not use data from any
2 construction work that is performed by a local governmental unit or a state agency.

3 **SECTION 1727mj.** 66.0903 (3) (dm) of the statutes is amended to read:

4 66.0903 (3) (dm) A reference to the prevailing wage rates determined by the
5 department ~~or a local governmental unit exempted under sub. (6)~~ and to the
6 prevailing hours of labor shall be published in the notice issued for the purpose of
7 securing bids for the project of public works. If any contract or subcontract for a
8 project of public works is entered into, the prevailing wage rates determined by the
9 department ~~or exempted local governmental unit~~ and the prevailing hours of labor
10 shall be physically incorporated into and made a part of the contract or subcontract,
11 except that for a minor subcontract, as determined by the department, the
12 department shall prescribe by rule the method of notifying the minor subcontractor
13 of the prevailing wage rates and prevailing hours of labor applicable to the minor
14 subcontract. The prevailing wage rates and prevailing hours of labor applicable to
15 a contract or subcontract may not be changed during the time that the contract or
16 subcontract is in force. No person performing the work described in sub. (4) may be
17 paid less than the prevailing wage rate in the same or most similar trade or
18 occupation determined under this subsection; nor may he or she be permitted to work
19 a greater number of hours per day or per week than the prevailing hours of labor,
20 unless he or she is paid for all hours worked in excess of the prevailing hours of labor
21 at a rate of at least 1.5 times his or her hourly basic rate of pay.

22 **SECTION 1727mk.** 66.0903 (4) (b) (intro.) of the statutes is amended to read:

23 66.0903 (4) (b) (intro.) ~~Notwithstanding par. (a) 1., a~~ A laborer, worker,
24 mechanic, or truck driver who is regularly employed to process, manufacture, pick
25 up, or deliver materials or products from a commercial establishment that has a fixed

OK

plain

plain

1

place of business from which the establishment regularly ~~supplies processed or~~

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~~manufactured materials or products~~ or from a facility that is not dedicated

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exclusively, or nearly so, to a project of public works that is subject to this section is

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not entitled to receive the prevailing wage rate determined under sub. (3) or to

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receive at least 1.5 times his or her hourly basic rate of pay for all hours worked in

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excess of the prevailing hours of labor unless any of the following applies:

7

SECTION 1727mL. 66.0903 (4) (b) 1. of the statutes is amended to read:

8

66.0903 (4) (b) 1. The laborer, worker, mechanic, or truck driver is employed

9

to go to the source of mineral aggregate such as sand, gravel, or stone that is to be

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~~immediately incorporated into the work, and not stockpiled or further transported~~

11

~~by truck, pick up that mineral aggregate, and deliver that mineral aggregate to the~~

12

site of a project of public works that is subject to this section by depositing the

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material ~~substantially in place, directly~~ in final place, from the transporting vehicle

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or through spreaders from the transporting vehicle.

15

SECTION 1727n. 66.0903 (5) (a) of the statutes is amended to read:

16

66.0903 (5) (a) A single-trade project of public works for which the estimated

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project cost of completion is ~~below \$25,000 less than \$48,000, a multiple-trade~~

18

project of public works for which the estimated project cost of completion is less than

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\$100,000, or, in the case of a multiple-trade project of public works erected,

20

constructed, repaired, remodeled, or demolished by a private contractor for a city or

21

village having a population of less than 2,500 or for a town, a multiple-trade project

22

of public works for which the estimated project cost of completion is less than

23

\$234,000.

24

SECTION 1727p. 66.0903 (5) (b) of the statutes is amended to read:

1 66.0903 (5) (b) ~~A Work performed on a project of public works in which the~~
2 ~~labor for the project is provided by unpaid volunteers for which the local~~
3 ~~governmental unit contracting for the project is not required to compensate any~~
4 ~~contractor, subcontractor, contractor's or subcontractor's agent, or individual for~~
5 ~~performing the work.~~

6 **SECTION 1727q.** 66.0903 (5) (f) of the statutes is created to read:

7 66.0903 (5) (f) A project of public works involving the erection, construction,
8 repair, remodeling, or demolition of a residential property containing 2 dwelling
9 units or less.

10 **SECTION 1727r.** 66.0903 (5) (g) of the statutes is created to read:

11 66.0903 (5) (g) A road, street, bridge, sanitary sewer, or water main project that
12 is a part of a development in which not less than 90 percent of the lots contain or will
13 contain 2 dwelling units or less, as determined by the local governmental unit at the
14 time of approval of the development, and that, on completion, is acquired by, or
15 dedicated to, a local governmental unit, including under s. 236.13 (2), for ownership
16 or maintenance by the local governmental unit.

17 **SECTION 1727rm.** 66.0903 (6) of the statutes is repealed.

18 **SECTION 1727s.** 66.0903 (8) of the statutes is amended to read:

19 66.0903 (8) POSTING. For the information of the employees working on the
20 project of public works, the prevailing wage rates determined by the department ~~or~~
21 ~~exempted local governmental unit~~, the prevailing hours of labor, and the provisions
22 of subs. (10) (a) and (11) (a) shall be kept posted by the local governmental unit in at
23 least one conspicuous and easily accessible place on the site of the project or, if there
24 is no common site on the project, at the place normally used by the local
25 governmental unit to post public notices.

1 **SECTION 1727t.** 66.0903 (10) (am) of the statutes is repealed.

2 **SECTION 1727u.** 66.0903 (10) (c) of the statutes is amended to read:

3 66.0903 (10) (c) If requested by any person, the department shall inspect the
4 payroll records of any contractor, subcontractor, or agent performing work on a
5 project of public works that is subject to this section as provided in this paragraph
6 to ensure compliance with this section. ~~In the case of a request made by a person~~
7 ~~performing the work specified in sub. (4), if the department finds that the contractor,~~
8 ~~subcontractor, or agent subject to the inspection is in compliance and that the request~~
9 ~~is frivolous, the department shall charge the person making the request the actual~~
10 ~~cost of the inspection. In the case of a request made by a person not performing the~~
11 ~~work specified in sub. (4), if the department finds that the contractor, subcontractor,~~
12 ~~or agent subject to the inspection is in compliance and that the request is frivolous,~~
13 ~~the department shall charge the person making the request \$250 or the actual cost~~
14 ~~of the inspection, whichever is greater. In order to find that a request is frivolous,~~
15 ~~the department must find that the person making the request made the request in~~
16 ~~bad faith, solely for the purpose of harassing or maliciously injuring the contractor,~~
17 ~~subcontractor, or agent subject to the inspection, or that the person making the~~
18 ~~request knew, or should have known, that there was no reasonable basis for believing~~
19 ~~that a violation of this section had been committed. On receipt of such a request, the~~
20 ~~department shall request the contractor, subcontractor, or agent to submit to the~~
21 ~~department a certified record of the information specified in par. (a), other than~~
22 ~~personally identifiable information relating to an employee of the contractor,~~
23 ~~subcontractor, or agent, for no longer than a 4-week period. The department may~~
24 ~~request a contractor, subcontractor, or agent to submit those records no more than~~
25 ~~once per calendar quarter for each project of public works on which the contractor,~~

1 subcontractor, or agent is performing work. The department may not charge a
2 requester a fee for obtaining that information. The department shall make available
3 for public inspection certified records submitted to the department under this
4 paragraph.

5 **SECTION 1727x.** 66.0903 (12) (a) of the statutes is amended to read:

6 66.0903 (12) (a) Except as provided under pars. (b) and (c), the department
7 shall notify any local governmental unit applying for a determination under sub. (3)
8 ~~and any local governmental unit exempted under sub. (6)~~ of the names of all persons
9 whom the department has found to have failed to pay the prevailing wage rate
10 determined under sub. (3) or has found to have paid less than 1.5 times the hourly
11 basic rate of pay for all hours worked in excess of the prevailing hours of labor at any
12 time in the preceding 3 years. The department shall include with each name the
13 address of the person and shall specify when the person failed to pay the prevailing
14 wage rate and when the person paid less than 1.5 times the hourly basic rate of pay
15 for all hours worked in excess of the prevailing hours of labor. A local governmental
16 unit may not award any contract to the person unless otherwise recommended by the
17 department or unless 3 years have elapsed from the date the department issued its
18 findings or the date of final determination by a court of competent jurisdiction,
19 whichever is later.

20 **SECTION 1727y.** 66.0904 of the statutes is repealed.

21 **SECTION 1728.** 66.0925 (14) of the statutes is amended to read:

22 66.0925 (14) CONSTRUCTION. Nothing in this section shall be construed as
23 relieving, modifying, or interfering with the responsibilities for operating jails which
24 are vested in sheriffs under s. 59.27 (1) and chiefs of police or chiefs of combined
25 protective services departments under s. 62.09 (13) (b).

1 **SECTION 1729g.** 66.1039 of the statutes, as affected by 2011 Wisconsin Act ...
2 (this act), is repealed.

3 **SECTION 1729r.** 66.1039 (4) (s) 1. of the statutes is amended to read:

4 66.1039 (4) (s) 1. Impose, by the adoption of a resolution by the board of
5 directors, the taxes under subch. V of ch. 77 in the authority's jurisdictional area,
6 except that no taxes may be imposed under this paragraph unless the resolution of
7 the board of directors is adopted prior to the effective date of this subdivision ... [LRB
8 inserts date]. If an authority adopts a resolution to impose the taxes, it shall deliver
9 a certified copy of the resolution to the department of revenue at least 120 days before
10 its effective date. The authority may, by adoption of a resolution by the board of
11 directors, repeal the imposition of taxes under subch. V of ch. 77 and shall deliver a
12 certified copy of the repeal resolution to the department of revenue at least 120 days
13 before its effective date.

14 **SECTION 1731.** 66.1103 (4m) (a) 1. of the statutes is amended to read:

15 66.1103 (4m) (a) 1. The person, at least 30 days prior to entering into the
16 revenue agreement, has given a notice of intent to enter into the agreement, on a
17 form prescribed under s. ~~560.034~~ 238.11 (1), to the ~~department of commerce~~
18 Wisconsin Economic Development Corporation and to any collective bargaining
19 agent in this state with whom the person has a collective bargaining agreement.

20 **SECTION 1732.** 66.1103 (4m) (a) 2. of the statutes is amended to read:

21 66.1103 (4m) (a) 2. The municipality or county has received an estimate issued
22 under s. ~~560.034~~ 238.11 (5) (a), and the ~~department of commerce~~ Wisconsin Economic
23 Development Corporation has estimated whether the project which the municipality
24 or county would finance under the revenue agreement is expected to eliminate,
25 create, or maintain jobs on the project site and elsewhere in this state and the net

1 number of jobs expected to be eliminated, created, or maintained as a result of the
2 project.

3 **SECTION 1733.** 66.1103 (4m) (b) of the statutes is amended to read:

4 66.1103 (4m) (b) Any revenue agreement which an eligible participant enters
5 into with a municipality or county to finance a project shall require the eligible
6 participant to submit to the ~~department of commerce~~ Wisconsin Economic
7 Development Corporation within 12 months after the project is completed or 2 years
8 after a revenue bond is issued to finance the project, whichever is sooner, on a form
9 prescribed under s. ~~560.034~~ 238.11 (1), the net number of jobs eliminated, created,
10 or maintained on the project site and elsewhere in this state as a result of the project.

11 **SECTION 1734.** 66.1103 (4s) (a) 1. of the statutes is amended to read:

12 66.1103 (4s) (a) 1. ~~“Department”~~ “Corporation” means the ~~department of~~
13 ~~commerce~~ Wisconsin Economic Development Corporation.

14 **SECTION 1735.** 66.1103 (4s) (b) 3. of the statutes is amended to read:

15 66.1103 (4s) (b) 3. The employer shall certify compliance with this subsection
16 to the ~~department~~ corporation, to the governing body of each municipality or county
17 within which a lost job exists and to any collective bargaining agent in this state with
18 which the employer has a collective bargaining agreement at the project site or at a
19 site where a lost job exists.

20 **SECTION 1736.** 66.1103 (4s) (b) 4. of the statutes is amended to read:

21 66.1103 (4s) (b) 4. The employer shall submit a report to the ~~department~~
22 corporation every 3 months during the first year after the construction of the project
23 is completed. The reports shall provide information about new jobs, lost jobs, and
24 offers of employment made to persons who were formerly employed at lost jobs. The

1 4th report shall be the final report. The form and content of the reports shall be
2 prescribed by the ~~department~~ corporation under par. (d).

3 **SECTION 1737.** 66.1103 (4s) (d) of the statutes is amended to read:

4 66.1103 (4s) (d) The ~~department~~ corporation shall administer this subsection
5 and shall prescribe forms for certification and reports under par. (b).

6 **SECTION 1738.** 66.1103 (10) (c) of the statutes is amended to read:

7 66.1103 (10) (c) A copy of the initial resolution together with a statement
8 indicating when the public notice required under par. (b) was published shall be filed
9 with the ~~secretary of commerce~~ Wisconsin Economic Development Corporation
10 within 20 days following publication of notice. Prior to the closing of the bond issue,
11 the ~~secretary~~ corporation may require additional information from the eligible
12 participant or the municipality or county. After the closing of the bond issue, the
13 ~~secretary~~ corporation shall be notified of the closing date, any substantive changes
14 made to documents previously filed with the ~~secretary~~ corporation, and the principal
15 amount of the financing.

16 **SECTION 1739.** 66.1103 (10) (g) of the statutes is amended to read:

17 66.1103 (10) (g) Bonds may not be issued unless prior to adoption of an initial
18 resolution a document which provides a good faith estimate of attorney fees which
19 will be paid from bond proceeds is filed with the clerk of the municipality or county
20 and the ~~department of commerce~~ Wisconsin Economic Development Corporation.

21 **SECTION 1740.** 66.1104 of the statutes is repealed.

22 **SECTION 1740g.** 66.1105 (4) (gm) 4. c. of the statutes is amended to read:

23 66.1105 (4) (gm) 4. c. Except as provided in subs. (10) (c), ~~(16) (d)~~, and (17), the
24 equalized value of taxable property of the district plus the value increment of all
25 existing districts does not exceed 12 percent of the total equalized value of taxable

1 property within the city. In determining the equalized value of taxable property
2 under this subd. 4. c., the department of revenue shall base its calculations on the
3 most recent equalized value of taxable property of the district that is reported under
4 s. 70.57 (1m) before the date on which the resolution under this paragraph is
5 adopted. If the department of revenue determines that a local legislative body
6 exceeds the 12 percent limit described in this subd. 4. c., the department shall notify
7 the city of its noncompliance, in writing, not later than December 31 of the year in
8 which the department receives the completed application or amendment forms
9 described in sub. (5) (b).

10 **SECTION 1740i.** 66.1105 (5) (bt) of the statutes is created to read:

11 66.1105 (5) (bt) If the city of New Lisbon amends, or attempts to amend, the
12 project plan of Tax Incremental District Number 12 on January 1, 2012, based on
13 actions taken by the common council between July 1, 2011, and December 31, 2011,
14 the tax incremental base of the district shall be redetermined by the department of
15 revenue as if the district's project plan had been amended on January 1, 2012, except
16 that the department of revenue may not certify a value increment under par. (b), that
17 reflects the amendment to the district's plan, before 2012. In addition, the time limits
18 specified for the city clerk in par. (b), and the provisions relating to the 12 percent
19 limit findings requirement under sub. (4) (gm) 4. c., do not apply to an amendment
20 to the project plan of Tax Incremental District Number 12 in the city of New Lisbon.

21 **SECTION 1740k.** 66.1105 (6) (a) (intro.) of the statutes is amended to read:

22 66.1105 (6) (a) (intro.) If the joint review board approves the creation of the tax
23 incremental district under sub. (4m), and subject to par. (ae), positive tax increments
24 with respect to a tax incremental district are allocated to the city which created the
25 district or, in the case of a city or village that annexes or attaches a district created

1 under sub. (16), to the annexing or attaching city or village, for each year
2 commencing after the date when a project plan is adopted under sub. (4) (g). The
3 department of revenue may not authorize allocation of tax increments until it
4 determines from timely evidence submitted by the city that each of the procedures
5 and documents required under sub. (4) (d) to (f) has been completed and all related
6 notices given in a timely manner. The department of revenue may authorize
7 allocation of tax increments for any tax incremental district only if the city clerk and
8 assessor annually submit to the department all required information on or before the
9 2nd Monday in June. The facts supporting any document adopted or action taken
10 to comply with sub. (4) (d) to (f) are not subject to review by the department of revenue
11 under this paragraph. After the allocation of tax increments is authorized, the
12 department of revenue shall annually authorize allocation of the tax increment to
13 the city that created the district until the soonest of the following events:

14 **SECTION 1741.** 66.1105 (13) of the statutes is repealed.

15 **SECTION 1741e.** 66.1105 (16) (a) 1. of the statutes is amended to read:

16 66.1105 (16) (a) 1. The town enters into a cooperative plan with a city or village,
17 under s. 66.0307, under which part or all of the town will be annexed or attached by
18 the city or village in the future.

19 **SECTION 1741ec.** 66.1105 (16) (a) 2. of the statutes is amended to read:

20 66.1105 (16) (a) 2. The city or village into which the town territory will be
21 annexed or attached adopts a resolution approving the creation of the tax
22 incremental district.

23 **SECTION 1741ee.** 66.1105 (16) (a) 3. of the statutes is amended to read:

24 66.1105 (16) (a) 3. The tax incremental district is located solely within territory
25 that is to be annexed or attached by a city or village as described under subd. 1.

1 **SECTION 1741ej.** 66.1105 (16) (c) of the statutes is created to read:

2 66.1105 (16) (c) If a district created under this subsection is annexed or
3 attached by a city or village it shall be administered by that city or village, and all
4 of the following apply to the district as if it were created by that city or village:

5 1. The lifespan of the district and the allocation of tax increments under sub.
6 (6).

7 2. Except as provided in par. (e), the date on which the district terminates under
8 sub. (7).

9 3. The creation date of the district by the town.

10 4. The project plan of the district.

11 5. The procedures to amend the district's project plan under sub. (4) (h).

12 6. The procedures to extend the life of the district under sub. (7) (am).

13 **SECTION 1741em.** 66.1105 (16) (d) of the statutes is created to read:

14 66.1105 (16) (d) The department of revenue may not include the equalized
15 value of taxable property of a district created under this subsection when applying
16 the 12 percent limit findings requirement under sub. (4) (gm) 4. c. to a city or village
17 which annexes or attaches such a district.

18 **SECTION 1741ep.** 66.1105 (16) (e) of the statutes is created to read:

19 66.1105 (16) (e) If a city or village annexes or attaches a district created under
20 this subsection before the last day on which the cooperative plan entered into under
21 s. 66.0307 allows a boundary change, the district shall remain in existence at least
22 through December 31 of the last calendar year of the period during which a boundary
23 change could have occurred, notwithstanding sub. (7). The annexing or attaching
24 city or village is responsible for all contracts, agreements, and obligations of the town
25 related to the district.

1 **SECTION 1741es.** 66.1105 (16) (f) of the statutes is created to read:

2 66.1105 (16) (f) 1. Except as provided in subd. 2., if a city or village is in the
3 process of annexing or attaching a district created under this subsection, but has not
4 completed the process, the city or village may enter into a contract or agreement
5 related to the district, with any person, or may assume an obligation of the district,
6 and the town would continue to receive any tax increments for which it is eligible
7 until the annexation or attachment process is complete.

8 2. A contract, agreement, or obligation, as described under subd. 1., does not
9 apply and may not be enforced until the annexation or attachment process is
10 complete and the city or village begins to receive tax increments associated with the
11 district.

12 **SECTION 1742.** 66.1305 (2) (a) 1. of the statutes is amended to read:

13 66.1305 (2) (a) 1. "Arts incubator" has the meaning given in s. ~~44.60~~ 41.60 (1)
14 (a).

15 **SECTION 1743.** 66.1305 (2) (b) 3. of the statutes is amended to read:

16 66.1305 (2) (b) 3. Apply for a grant or loan under s. ~~44.60~~ 41.60 in connection
17 with an arts incubator.

18 **SECTION 1744.** 66.1333 (2m) (am) of the statutes is amended to read:

19 66.1333 (2m) (am) "Arts incubator" has the meaning given in s. ~~44.60~~ 41.60 (1)
20 (a).

21 **SECTION 1745.** 66.1333 (2m) (d) 7. of the statutes is amended to read:

22 66.1333 (2m) (d) 7. Studying the feasibility of and initial design for an arts
23 incubator, developing and operating an arts incubator, and applying for a grant or
24 loan under s. ~~44.60~~ 41.60 in connection with an arts incubator.

25 **SECTION 1745m.** 67.01 (5) of the statutes is amended to read:

1 67.01 (5) "Municipality" means any of the following which is authorized to levy
2 a tax: a county, city, village, town, school district, board of park commissioners,
3 technical college district, metropolitan sewerage district created under ss. 200.01 to
4 200.15 or 200.21 to 200.65, town sanitary district under subch. IX of ch. 60, ~~transit~~
5 ~~authority created under s. 66.1039~~, public inland lake protection and rehabilitation
6 district established under s. 33.23, 33.235, or 33.24, and any other public body
7 empowered to borrow money and issue obligations to repay the money out of public
8 funds or revenues. "Municipality" does not include the state.

9 **SECTION 1746.** 67.05 (6a) (bg) 2. of the statutes is amended to read:

10 67.05 (6a) (bg) 2. The department of ~~commerce~~ safety and professional services
11 shall determine for each grade level in which pupils attended school in a building
12 described in subd. 1., the average cost per square foot for, and the average number
13 of square feet per pupil included in, 2 recently constructed school buildings that were
14 designed to serve pupils of that grade level, as selected by that department.

15 **SECTION 1747.** 67.12 (12) (e) 2r. b. of the statutes is amended to read:

16 67.12 (12) (e) 2r. b. The department of ~~commerce~~ safety and professional
17 services shall determine, for each grade level in which pupils attended school in a
18 building described in subd. 2r. a., the average cost per square foot for, and the average
19 number of square feet per pupil included in, 2 recently constructed school buildings
20 that were designed to serve pupils of that grade level, as selected by that department.

21 **SECTION 1747n.** 70.11 (intro.) of the statutes is amended to read:

22 **70.11 Property exempted from taxation.** (intro.) The property described
23 in this section is exempted from general property taxes if the property is exempt
24 under sub. (1), (2), (18), (21), (27) or (30); if it was exempt for the previous year and
25 its use, occupancy or ownership did not change in a way that makes it taxable; if the

1 property was taxable for the previous year, the use, occupancy or ownership of the
2 property changed in a way that makes it exempt and its owner, on or before March 1,
3 files with the assessor of the taxation district where the property is located a form
4 that the department of revenue prescribes or if the property did not exist in the
5 previous year and its owner, on or before March 1, files with the assessor of the
6 taxation district where the property is located a form that the department of revenue
7 prescribes. Except as provided in subs. ~~(3m) (e)~~, (4) (b), (4a) (f), and (4d), leasing a
8 part of the property described in this section does not render it taxable if the lessor
9 uses all of the leasehold income for maintenance of the leased property or
10 construction debt retirement of the leased property, or both, and, except for
11 residential housing, if the lessee would be exempt from taxation under this chapter
12 if it owned the property. Any lessor who claims that leased property is exempt from
13 taxation under this chapter shall, upon request by the tax assessor, provide records
14 relating to the lessor's use of the income from the leased property. Property exempted
15 from general property taxes is:

16 **SECTION 1747r.** 70.11 (2) of the statutes is amended to read:

17 **70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.**
18 Property owned by any county, city, village, town, school district, technical college
19 district, public inland lake protection and rehabilitation district, metropolitan
20 sewerage district, municipal water district created under s. 198.22, joint local water
21 authority created under s. 66.0823, ~~transit authority created under s. 59.58 (7) or~~
22 ~~66.1039~~, long-term care district under s. 46.2895 or town sanitary district; lands
23 belonging to cities of any other state used for public parks; land tax-deeded to any
24 county or city before January 2; but any residence located upon property owned by
25 the county for park purposes that is rented out by the county for a nonpark purpose

1 shall not be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d),
2 this exemption shall not apply to land conveyed after August 17, 1961, to any such
3 governmental unit or for its benefit while the grantor or others for his or her benefit
4 are permitted to occupy the land or part thereof in consideration for the conveyance.
5 Leasing the property exempt under this subsection, regardless of the lessee and the
6 use of the leasehold income, does not render that property taxable.

7 **SECTION 1748d.** 70.11 (3m) of the statutes is repealed.

8 **SECTION 1748de.** 70.114 (1) (b) of the statutes is renumbered 70.114 (1) (b) 1.
9 and amended to read:

10 70.114 (1) (b) 1. “Estimated value”, For land purchased before the effective date
11 of this subdivision [LRB inserts date], “estimated value,” for the year during
12 which land is purchased, means the purchase price and, for later years, means the
13 value that was used for calculating the aid payment under this section for the prior
14 year increased or decreased to reflect the annual percentage change in the equalized
15 valuation of all property, excluding improvements, in the taxation district, as
16 determined by comparing the most recent determination of equalized valuation
17 under s. 70.57 for that property to the next preceding determination of equalized
18 valuation under s. 70.57 for that property.

19 **SECTION 1748e.** 70.114 (1) (b) 2. of the statutes is created to read:

20 70.114 (1) (b) 2. For land purchased on or after the effective date of this
21 subdivision [LRB inserts date], “estimated value,” for the year during which land
22 is purchased, means the lesser of the purchase price or the determination of the
23 land’s equalized valuation under s. 70.57 in the year before the year during which
24 the land is purchased, increased or decreased to reflect the annual percentage
25 change in the equalized valuation of all property, excluding improvements, in the

1 taxation district, as determined by comparing the most recent determination of
2 equalized valuation under s. 70.57 for that property, except that if the land was
3 exempt from taxation in the year prior to the year during which the Department
4 purchased the land “estimated value,” for the year during which the land is
5 purchased means the lesser of either the purchase price; or the land’s equalized
6 valuation under s. 70.57 or an amount that would result in a payment under sub. (4)
7 that is equal to \$10 per acre, whichever is greater. “Estimated value,” for later years,
8 means the value that was used for calculating the aid payment under this section for
9 the prior year increased or decreased to reflect the annual percentage change in the
10 equalized valuation of all property, excluding improvements, in the taxation district,
11 as determined by comparing the most recent determination of equalized valuation
12 under s. 70.57 for that property to the next preceding determination of equalized
13 valuation under s. 70.57 for that property.

14 **SECTION 1752n.** 71.01 (6) (u) of the statutes is amended to read:

15 71.01 (6) (u) For taxable years that begin after December 31, 2007, and before
16 January 1, 2009, for natural persons and fiduciaries, except fiduciaries of nuclear
17 decommissioning trust or reserve funds, “Internal Revenue Code” means the federal
18 Internal Revenue Code as amended to December 31, 2007, excluding sections 103,
19 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
20 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
21 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
22 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,
23 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,
24 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337,
25 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310,

1 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of
2 P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to
3 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101,
4 207, 209, 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L.
5 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, and
6 P.L. 110-172, and as amendeded by P.L. 110-245, excluding sections 110, 113, and 301
7 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and
8 section 313 of division C of P.L. 110-343, P.L. 110-458, section 1541 of division B of
9 P.L. 111-5, and P.L. 111-192, and as indirectly affected by P.L. 99-514, P.L. 100-203,
10 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280,
11 P.L. 101-508, P.L. 102-90, 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. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202
15 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
16 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.
17 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,
18 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.
19 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.
20 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
21 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
22 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
23 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
24 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
25 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections

1 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
2 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
3 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
4 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
5 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.
6 109-222, P.L. 109-227, P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
7 P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245, and section 15316
8 of P.L. 110-246, section 301 of division B and section 313 of division C of P.L. 110-343,
9 P.L. 110-458, section 1541 of division B of P.L. 111-5, and P.L. 111-192. The Internal
10 Revenue Code applies for Wisconsin purposes at the same time as for federal
11 purposes. Amendments to the federal Internal Revenue Code enacted after
12 December 31, 2007, do not apply to this paragraph with respect to taxable years
13 beginning after December 31, 2007, and before January 1, 2009, except that changes
14 to the Internal Revenue Code made by P.L. 110-245, excluding sections 110, 113, and
15 301 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and
16 section 313 of division C of P.L. 110-343, P.L. 110-458, section 1541 of division B of
17 P.L. 111-5, and P.L. 111-192, and changes that indirectly affect the provisions
18 applicable to this subchapter made by P.L. 110-245, excluding sections 110, 113, and
19 301 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and
20 section 313 of division C of P.L. 110-343, P.L. 110-458, section 1541 of division B of
21 P.L. 111-5, and P.L. 111-192, apply for Wisconsin purposes at the same time as for
22 federal purposes.

23 **SECTION 1753.** 71.01 (6) (um) of the statutes is amended to read:

24 71.01 (6) (um) For taxable years that begin after December 31, 2008, and
25 before January 1, 2011, for natural persons and fiduciaries, except fiduciaries of

1 nuclear decommissioning trust or reserve funds, "Internal Revenue Code" means the
2 federal Internal Revenue Code as amended to December 31, 2008, excluding sections
3 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
4 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
5 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
6 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,
7 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,
8 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336,
9 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309,
10 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section
11 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates
12 to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101,
13 207, 209, 503, and 513 of P.L. 109-222, ~~section 844 of P.L. 109-280, P.L. 109-432, P.L.~~
14 ~~110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L.~~
15 ~~110-185, P.L. 110-234, sections 110, 113, and 301 of P.L. 110-245, P.L. 110-246,~~
16 ~~except section 15316 of P.L. 110-246, P.L. 110-289, except section 3093 of P.L.~~
17 ~~110-289, P.L. 110-317, and P.L. 110-343, except section 301 of division B and section~~
18 ~~313 of division C of P.L. 110-343, and P.L. 110-351 as amended by sections 1261,~~
19 ~~1262, 1401, 1402, 1521, 1522, 1531, and 1541 of division B of P.L. 111-5, section 301~~
20 ~~of P.L. 111-147, P.L. 111-192, section 1601 of P.L. 111-203, section 215 of P.L.~~
21 ~~111-226, section 2112 of P.L. 111-240, and P.L. 111-325,~~ and as indirectly affected
22 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,
23 P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L. 102-227, excluding
24 sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66,
25 excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,

1 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-117, P.L. 104-188,
2 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
3 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
4 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections
5 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
6 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections
7 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.
8 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
9 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
10 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
11 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
12 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.
13 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
14 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
15 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
16 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
17 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
18 209, 503, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, ~~excluding section 844~~
19 ~~of P.L. 109-280~~, P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245,
20 and section 15316 of P.L. 110-246, section 3093 of P.L. 110-289, section 301 of
21 division B and section 313 of division C of P.L. 110-343, P.L. 110-351, P.L. 110-458,
22 sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of division B of P.L.
23 111-5, section 301 of P.L. 111-147, P.L. 111-192, section 1601 of P.L. 111-203, section
24 215 of P.L. 111-226, section 2112 of P.L. 111-240, and P.L. 111-325. The Internal
25 Revenue Code applies for Wisconsin purposes at the same time as for federal

1 purposes. Amendments to the federal Internal Revenue Code enacted after
2 December 31, 2008, do not apply to this paragraph with respect to taxable years
3 beginning after December 31, 2008, and before January 1, 2011, except that changes
4 to the Internal Revenue Code made by sections 1261, 1262, 1401, 1402, 1521, 1522,
5 1531, and 1541 of division B of P.L. 111-5, section 301 of P.L. 111-147, P.L. 111-192,
6 section 1601 of P.L. 111-203, section 215 of P.L. 111-226, section 2112 of P.L. 111-240,
7 and P.L. 111-325, and changes that indirectly affect the provisions applicable to this
8 subchapter made by sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of
9 division B of P.L. 111-5, section 301 of P.L. 111-147, P.L. 111-192, section 1601 of P.L.
10 111-203, section 215 of P.L. 111-226, section 2112 of P.L. 111-240, and P.L. 111-325,
11 apply for Wisconsin purposes at the same time as for federal purposes.

12 **SECTION 1753d.** 71.01 (6) (un) of the statutes is created to read:

13 71.01 (6) (un) For taxable years that begin after December 31, 2010, for
14 natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust
15 or reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code
16 as amended to December 31, 2010, excluding sections 103, 104, and 110 of P.L.
17 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
18 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,
19 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
20 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and
21 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403
22 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and
23 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
24 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section
25 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402

1 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 503, and 513 of P.L.
2 109-222, P.L. 109-432, except sections 117, 406, 409, 410, 412, 417, 418, 424, and 425
3 of division A and section 403 of division C of P.L. 109-432, P.L. 110-28, except
4 sections 8215, 8231, 8232, 8234, and 8236 of P.L. 110-28, P.L. 110-140, sections 2,
5 3, and 5 of P.L. 110-142, P.L. 110-166, sections 3 (b) and 11 (b), (e), and (g) of P.L.
6 110-172, P.L. 110-185, P.L. 110-234, section 301 of P.L. 110-245, P.L. 110-246,
7 except sections 4, 15312, 15313, 15314, 15316, and 15342 of P.L. 110-246, sections
8 3071, 3081, and 3082 of P.L. 110-289, section 9 (e) of P.L. 110-317, P.L. 110-343,
9 except sections 116, 208, 211, and 301 of division B and sections 313 and 504 of
10 division C of P.L. 110-343, P.L. 111-5, except sections 1261, 1262, 1401, 1402, 1521,
11 1522, 1531, and 1541 of division B of P.L. 111-5, section 201 of P.L. 111-147, P.L.
12 111-148, except sections 1322, 1515, 9003, 9021, 9022, 10108, 10908, and 10909 of
13 P.L. 111-148, P.L. 111-152, except section 1407 of P.L. 111-152, P.L. 111-203, except
14 section 1601 of P.L. 111-203, P.L. 111-226, except sections 215 and 217 of P.L.
15 111-226, P.L. 111-240, except sections 2014, 2043, 2111, 2112, and 2113 of P.L.
16 111-240, and P.L. 111-312, and as indirectly affected by P.L. 99-514, P.L. 100-203,
17 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280,
18 P.L. 101-508, P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
19 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
20 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
21 103-465, P.L. 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202
22 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
23 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.
24 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,
25 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.

1 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.
2 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
3 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
4 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
5 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
6 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of
7 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
8 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
9 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
10 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
11 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
12 109-151, P.L. 109-222, excluding sections 101, 207, 503, and 513 of P.L. 109-222,
13 P.L. 109-227, P.L. 109-280, sections 117, 406, 409, 410, 412, 417, 418, 424, and 425
14 of division A and section 403 of division C of P.L. 109-432, sections 8215, 8231, 8232,
15 8234, and 8236 of P.L. 110-28, P.L. 110-141, P.L. 110-142, excluding sections 2, 3,
16 and 5 of P.L. 110-142, P.L. 110-172, excluding sections 3 (b) and 11 (b), (e), and (g)
17 of P.L. 110-172, P.L. 110-245, excluding section 301 of P.L. 110-245, sections 4,
18 15312, 15313, 15314, 15316, and 15342 of P.L. 110-246, P.L. 110-289, excluding
19 sections 3071, 3081, and 3082 of P.L. 110-289, P.L. 110-317, excluding section 9 (e)
20 of P.L. 110-317, sections 116, 208, 211, and 301 of division B and sections 313 and 504
21 of division C of P.L. 110-343, P.L. 110-351, P.L. 110-458, sections 1261, 1262, 1401,
22 1402, 1521, 1522, 1531, and 1541 of division B of P.L. 111-5, P.L. 111-92, P.L.
23 111-147, excluding section 201 of P.L. 111-147, sections 1322, 1515, 9003, 9021,
24 9022, 10108, 10908, and 10909 of P.L. 111-148, section 1407 of P.L. 111-152, P.L.
25 111-192, section 1601 of P.L. 111-203, sections 215 and 217 of P.L. 111-226, sections

1 2014, 2043, 2111, 2112, and 2113 of P.L. 111-240, and P.L. 111-325. The Internal
2 Revenue Code applies for Wisconsin purposes at the same time as for federal
3 purposes, except that changes made by section 209 of P.L. 109-222, sections 117, 406,
4 409, 410, 412, 417, 418, 424, and 425 of division A and section 403 of division C of P.L.
5 109-432, sections 8215, 8231, 8232, 8234, and 8236 of P.L. 110-28, P.L. 110-141, P.L.
6 110-142, excluding sections 2, 3, and 5 of P.L. 110-142, P.L. 110-172, excluding
7 sections 3 (b) and 11 (b), (e), and (g) of P.L. 110-172, sections 110 and 113 of P.L.
8 110-245, sections 15312, 15313, 15314, and 15342 of P.L. 110-246, sections 3031,
9 3032, 3033, 3041, 3051, 3052, 3061, and 3092 of P.L. 110-289, P.L. 110-317,
10 excluding section 9 (e) of P.L. 110-317, sections 116, 208, and 211 of division B and
11 section 504 of division C of P.L. 110-343, section 14 of P.L. 111-92, sections 531, 532,
12 and 533 of P.L. 111-147, sections 10908 and 10909 of P.L. 111-148, and section 2043
13 of P.L. 111-240 do not apply for taxable years beginning before January 1, 2011.
14 Amendments to the federal Internal Revenue Code enacted after December 31, 2010,
15 do not apply to this paragraph with respect to taxable years beginning after
16 December 31, 2010.

17 **SECTION 1754.** 71.01 (13) of the statutes is amended to read:

18 71.01 (13) "Wisconsin adjusted gross income" means federal adjusted gross
19 income, with the modifications prescribed in s. 71.05 (6) to (12), (19), (20), and (24),
20 (25), and (26).

21 **SECTION 1754r.** 71.05 (1) (c) 9. of the statutes is repealed.

22 **SECTION 1755d.** 71.05 (1) (c) 12. of the statutes is created to read:

23 71.05 (1) (c) 12. The Wisconsin Housing and Economic Development Authority,
24 if the bonds or notes are issued to provide loans to a public affairs network under s.
25 234.75 (4).

1 **SECTION 1755g.** 71.05 (6) (a) 15. of the statutes is amended to read:

2 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
3 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),
4 (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), and (8r) and
5 not passed through by a partnership, limited liability company, or tax-option
6 corporation that has added that amount to the partnership's, company's, or
7 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

8 **SECTION 1756.** 71.05 (6) (b) 23. of the statutes is amended to read:

9 71.05 (6) (b) 23. Any increase in value of a tuition unit that is purchased under
10 a tuition contract under s. ~~14.63~~ 16.64, except that the subtraction under this
11 subdivision may not be claimed by any individual who received a refund under s.
12 ~~14.63~~ 16.64 (7) (a) 2., 3. or 4.

13 **SECTION 1757.** 71.05 (6) (b) 28. h. of the statutes is amended to read:

14 71.05 (6) (b) 28. h. No modification may be claimed under this subdivision for
15 an amount paid for tuition expenses and mandatory student fees, as described under
16 this subdivision, if the source of the payment is an amount withdrawn from a college
17 savings account, as described in s. ~~14.64~~ 16.641 or from a college tuition and expenses
18 program, as described in s. ~~14.63~~ 16.64, and if the owner of the account or a parent,
19 grandparent, great-grandparent, aunt, or uncle of the beneficiary, who contributed
20 to the account, has claimed a deduction under subd. 32. or 33. that relates to such
21 an amount.

22 **SECTION 1758.** 71.05 (6) (b) 31. of the statutes is amended to read:

23 71.05 (6) (b) 31. Any increase in value of a college savings account, as described
24 in s. ~~14.64~~ 16.641, except that the subtraction under this subdivision may not be

1 claimed by any individual who has made a nonqualified withdrawal, as described in
2 s. ~~14.64~~ 16.641 (2) (e).

3 **SECTION 1759.** 71.05 (6) (b) 32. (intro.) of the statutes is amended to read:

4 71.05 (6) (b) 32. (intro.) An amount paid into a college savings account, as
5 described in s. ~~14.64~~ 16.641, ~~by the owner of the account or by a parent, grandparent,~~
6 great-grandparent, aunt, or uncle of the beneficiary, if the beneficiary of the account
7 is one of the following: the claimant; the claimant's child; the claimant's grandchild;
8 the claimant's great-grandchild; or the claimant's niece or nephew; calculated as
9 follows:

10 **SECTION 1760.** 71.05 (6) (b) 33. (intro.) of the statutes is amended to read:

11 71.05 (6) (b) 33. (intro.) An amount paid into a college tuition and expenses
12 program, as described in s. ~~14.63~~ 16.64, ~~by the owner of the account or by a parent,~~
13 grandparent, great-grandparent, aunt, or uncle of the beneficiary, if the beneficiary
14 of the account is one of the following: the claimant; the claimant's child; the
15 claimant's grandchild; the claimant's great-grandchild; or the claimant's niece or
16 nephew; calculated as follows:

17 **SECTION 1761.** 71.05 (8) (b) of the statutes is amended to read:

18 71.05 (8) (b) A Wisconsin net operating loss may be carried forward against
19 Wisconsin taxable incomes of the next 15 taxable years, if the taxpayer was subject
20 to taxation under this chapter in the taxable year in which the loss was sustained,
21 to the extent not offset against other income of the year of loss and to the extent not
22 offset against Wisconsin modified taxable income of any year between the loss year
23 and the taxable year for which the loss carry-forward is claimed. In this paragraph,
24 "Wisconsin modified taxable income" means Wisconsin taxable income with the
25 following exceptions: a net operating loss deduction or offset for the loss year or any

1 taxable year thereafter is not allowed, the deduction for long-term capital gains
2 under ~~sub. subs. (6) (b) 9. and 9m. and (25)~~ is not allowed, the amount deductible for
3 losses from sales or exchanges of capital assets may not exceed the amount
4 includable in income for gains from sales or exchanges of capital assets and
5 “Wisconsin modified taxable income” may not be less than zero.

6 **SECTION 1762.** 71.05 (24) (a) 4. of the statutes is amended to read:

7 71.05 (24) (a) 4. “Qualified new business venture” means a business certified
8 by ~~the department of commerce~~ under s. 238.20 or s. 560.2085, 2009 stats.

9 **SECTION 1763.** 71.05 (25) of the statutes is created to read:

10 71.05 (25) CAPITAL GAINS EXCLUSION; WISCONSIN-SOURCE ASSETS. (a) In this
11 subsection:

12 1. “Claimant” means an individual; an individual partner or member of a
13 partnership, limited liability company, or limited liability partnership; or an
14 individual shareholder of a tax-option corporation.

15 2. “Qualifying gain” means the gain realized from the sale of any asset which
16 is a Wisconsin capital asset in the year it is purchased by the claimant and for at least
17 2 of the subsequent 4 years; that is purchased after December 31, 2010; that is held
18 for at least 5 uninterrupted years; and that is treated as a long-term gain under the
19 Internal Revenue Code; except that a qualifying gain may not include any amount
20 for which the claimant claimed a subtraction under sub. (24) (b) or any gain described
21 under sub. (26) (b) 1.

22 3. “Wisconsin business” means a business certified by the Wisconsin Economic
23 Development Corporation under s. 238.145.

24 4. “Wisconsin capital asset” means any of the following:

1 a. Real or tangible personal property that is located in this state and used in
2 a Wisconsin business.

3 b. Stock or other ownership interest in a Wisconsin business.

4 (b) For taxable years beginning after December 31, 2015, for a Wisconsin
5 capital asset that is purchased after December 31, 2010, and held for at least 5 years,
6 a claimant may subtract from federal adjusted gross income the lesser of one of the
7 following amounts, to the extent that it is not subtracted under sub. (6) (b) 9. or 9m.:

8 1. The amount of the claimant's federal net capital gain as reported on Schedule
9 D of the claimant's federal income tax return for the taxable year to which the claim
10 relates, but this subdivision applies only if, in that taxable year, the claimant has a
11 qualifying gain.

12 2. The amount of the claimant's qualifying gain in the year to which the claim
13 relates.

14 **SECTION 1764.** 71.05 (26) of the statutes is created to read:

15 71.05 (26) INCOME TAX DEFERRAL; LONG-TERM WISCONSIN CAPITAL ASSETS. (a) In
16 this subsection:

17 1. "Claimant" means an individual; an individual partner or member of a
18 partnership, limited liability company, or limited liability partnership; or an
19 individual shareholder of a tax-option corporation.

20 2. "Financial institution" has the meaning given in s. 69.30 (1) (b).

21 3. "Long-term capital gain" means the gain realized from the sale of any capital
22 asset held more than one year that is treated as a long-term gain under the Internal
23 Revenue Code.

24 4. "Qualified Wisconsin business" means a business certified by the Wisconsin
25 Economic Development Corporation under s. 238.146.

1 (b) For taxable years beginning after December 31, 2010, a claimant may
2 subtract from federal adjusted gross income any amount of a long-term capital gain
3 if the claimant does all of the following:

4 1. Deposits the gain into a segregated account in a financial institution.

5 2. Within 180 days after the sale of the asset that generated the gain, invests
6 all of the proceeds in the account described under subd. 1. in a qualified Wisconsin
7 business.

8 3. After making the investment as described under subd. 2., notifies the
9 department, on a form prepared by the department, that the claimant will not
10 declare on the claimant's income tax return the gain described under subd. 1. because
11 the claimant has reinvested the capital gain as described under subd. 2. The form
12 shall be sent to the department along with the claimant's income tax return for the
13 year to which the claim relates.

14 (c) The basis of the investment described in par. (b) 2. shall be calculated by
15 subtracting the gain described in par. (b) 1. from the amount of the investment
16 described in par. (b) 2.

17 (d) If a claimant defers the payment of income taxes on a capital gain under this
18 subsection, the claimant may not use the gain described under par. (b) 1. to net
19 capital gains and losses, as described under sub. (10) (c).

20 (e) If a claimant claims the subtraction under this subsection, the claimant may
21 not use the gain described under par. (b) 1. to claim a subtraction under sub. (24).

22 (f) If a claimant claims the subtraction under this subsection, the gain
23 described under par. (b) 1. may not be used as a qualifying gain under sub. (25).

24 **SECTION 1765.** 71.07 (2dd) (b) of the statutes is amended to read:

1 71.07 **(2dd)** (b) Except as provided in s. 73.03 (35), for any taxable year for
2 which that person is certified under s. 560.765 (3), 2009 stats., and begins business
3 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified
4 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified
5 or entitled a person may credit against taxes otherwise due under this subchapter
6 employment-related day care expenses, up to \$1,200 for each qualifying individual.

7 **SECTION 1766.** 71.07 (2de) (a) (intro.) of the statutes is amended to read:

8 71.07 **(2de)** (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year
9 for which a person is certified under s. 560.765 (3), 2009 stats., and begins business
10 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified
11 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified
12 or entitled the person may claim as a credit against taxes otherwise due under this
13 subchapter an amount equal to 7.5% of the amount that the person expends to
14 remove or contain environmental pollution, as defined in s. 299.01 (4), in the zone or
15 to restore soil or groundwater that is affected by environmental pollution, as defined
16 in s. 299.01 (4), in the zone if the person fulfills all of the following requirements:

17 **SECTION 1767.** 71.07 (2de) (a) 1. of the statutes is amended to read:

18 71.07 **(2de)** (a) 1. Begins the work, other than planning and investigating, for
19 which the credit is claimed after the area that includes the site where the work is
20 done is designated a development zone under s. 560.71, 2009 stats., or an enterprise
21 development zone under s. 560.797, 2009 stats., and after the claimant is certified
22 under s. 560.765 (3), 2009 stats., or certified under s. 560.797 (4) (a), 2009 stats.

23 **SECTION 1768.** 71.07 (2di) (a) (intro.) of the statutes is amended to read:

24 71.07 **(2di)** (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
25 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,

1 to claim tax benefits, any person may claim as a credit against taxes otherwise due
2 under this chapter 2.5% of the purchase price of depreciable, tangible personal
3 property, or 1.75% of the purchase price of depreciable, tangible personal property
4 that is expensed under section 179 of the internal revenue code for purposes of the
5 taxes under this chapter, except that:

6 **SECTION 1769.** 71.07 (2di) (a) 1. of the statutes is amended to read:

7 71.07 (2di) (a) 1. The investment must be in property that is purchased after
8 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
9 is used for at least 50% of its use in the conduct of the person's business operations
10 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the
11 property is mobile, the base of operations of the property for at least 50% of its use
12 must be a location in a development zone.

13 **SECTION 1770.** 71.07 (2di) (b) 2. of the statutes is amended to read:

14 71.07 (2di) (b) 2. If the claimant is located on an Indian reservation, as defined
15 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
16 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
17 enterprise, and if the allowable amount of the credit under this subsection exceeds
18 the taxes otherwise due under this chapter on or measured by the claimant's income,
19 the amount of the credit not used as an offset against those taxes shall be certified
20 to the department of administration for payment to the claimant by check, share
21 draft or other draft. In this subdivision, "tribal enterprise" means a business that
22 is at least 51% owned and controlled by the governing body of one or more Indian
23 tribes, is actively managed by the governing body, or by the designee of the governing
24 body, of one or more Indian tribes and is currently performing a useful business
25 function.

1 **SECTION 1771.** 71.07 (2di) (b) 3. of the statutes is amended to read:

2 71.07 **(2di)** (b) 3. Partnerships, limited liability companies and tax-option
3 corporations may not claim the credit under this subsection, but the eligibility for,
4 and amount of, that credit shall be determined on the basis of their economic activity,
5 not that of their shareholders, partners or members. The corporation, partnership
6 or company shall compute the amount of the credit that may be claimed by each of
7 its shareholders, partners or members and shall provide that information to each of
8 its shareholders, partners or members. Partners, members of limited liability
9 companies and shareholders of tax-option corporations may claim the credit based
10 on the partnership's, company's or corporation's activities in proportion to their
11 ownership interest and may offset it against the tax attributable to their income from
12 the partnership's, company's or corporation's business operations in the
13 development zone; except that partners, members, and shareholders in a
14 development zone under s. 560.795 (1) (e), 2009 stats., may offset the credit against
15 the amount of the tax attributable to their income from all of the partnership's,
16 company's, or corporation's business operations; and against the tax attributable to
17 their income from the partnership's, company's or corporation's directly related
18 business operations.

19 **SECTION 1772.** 71.07 (2di) (d) 1. of the statutes is amended to read:

20 71.07 **(2di)** (d) 1. A copy of a verification from the department of commerce that
21 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

22 **SECTION 1773.** 71.07 (2di) (f) of the statutes is amended to read:

23 71.07 **(2di)** (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
24 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
25 credits under this subsection for the taxable year that includes the day on which the

1 person becomes ineligible for tax benefits or succeeding taxable years and that
2 person may carry over no unused credits from previous years to offset tax under this
3 chapter for the taxable year that includes the day on which the person becomes
4 ineligible for tax benefits or succeeding taxable years.

5 **SECTION 1774.** 71.07 (2di) (g) of the statutes is amended to read:

6 71.07 (2di) (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
7 claim tax benefits ceases business operations in the development zone during any of
8 the taxable years that that zone exists, that person may not carry over to any taxable
9 year following the year during which operations cease any unused credits from the
10 taxable year during which operations cease or from previous taxable years.

11 **SECTION 1775.** 71.07 (2dj) (am) (intro.) of the statutes is amended to read:

12 71.07 (2dj) (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
13 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
14 for tax benefits, any person may claim as a credit against taxes otherwise due under
15 this chapter an amount calculated as follows:

16 **SECTION 1776.** 71.07 (2dj) (am) 4. a. of the statutes is amended to read:

17 71.07 (2dj) (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
18 benefits before January 1, 1992, modify “qualified wages” as defined in section 51 (b)
19 of the internal revenue code to exclude wages paid before the claimant is certified for
20 tax benefits and to exclude wages that are paid to employees for work at any location
21 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
22 of this subd. 4. a., mobile employees work at their base of operations and leased or
23 rented employees work at the location where they perform services.

24 **SECTION 1777.** 71.07 (2dj) (am) 4. b. of the statutes is amended to read:

1 71.07 (2dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
2 benefits after December 31, 1991, modify “qualified wages” as defined in section 51
3 (b) of the internal revenue code to exclude wages paid before the claimant is certified
4 for tax benefits and to exclude wages that are paid to employees for work at any
5 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
6 purposes of this subd. 4. b., mobile employees and leased or rented employees work
7 at their base of operations.

8 **SECTION 1778.** 71.07 (2dj) (am) 4c. of the statutes is amended to read:

9 71.07 (2dj) (am) 4c. Modify the rule for ineligible individuals under section 51
10 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
11 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
12 enterprise, as defined in sub. (2di) (b) 2., if the Indian business or tribal enterprise
13 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

14 **SECTION 1779.** 71.07 (2dj) (am) 4t. of the statutes is amended to read:

15 71.07 (2dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
16 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
17 for leased or rented employees, except employees of a leasing agency certified for tax
18 benefits who perform services directly for the agency in a development zone, the
19 minimum employment periods apply to the time that they perform services in a
20 development zone for a single lessee or renter, not to their employment by the leasing
21 agency.

22 **SECTION 1780.** 71.07 (2dj) (e) 1. of the statutes is amended to read:

23 71.07 (2dj) (e) 1. A copy of the claimant’s certification for tax benefits under s.
24 560.765 (3), 2009 stats.

25 **SECTION 1781.** 71.07 (2dj) (e) 3. a. of the statutes is amended to read:

1 71.07 (2dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
2 before January 1, 1992, a statement from the department of commerce verifying the
3 amount of qualifying wages and verifying that the employees were hired for work
4 only in a development zone or are mobile employees whose base of operations is in
5 a development zone.

6 **SECTION 1782.** 71.07 (2dj) (e) 3. b. of the statutes is amended to read:

7 71.07 (2dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
8 after December 31, 1991, a statement from the department of commerce verifying the
9 amount of qualifying wages and verifying that the employees were hired for work
10 only in a development zone or are mobile employees or leased or rented employees
11 whose base of operations is in a development zone.

12 **SECTION 1783.** 71.07 (2dL) (a) of the statutes is amended to read:

13 71.07 (2dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
14 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009
15 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
16 under this subchapter an amount equal to 2.5% of the amount expended by that
17 person to acquire, construct, rehabilitate or repair real property in a development
18 zone under subch. VI of ch. 560, 2009 stats.

19 **SECTION 1784.** 71.07 (2dL) (ag) of the statutes is amended to read:

20 71.07 (2dL) (ag) If the credit under par. (a) is claimed for an amount expended
21 to construct, rehabilitate, remodel or repair property, the claimant must have begun
22 the physical work of construction, rehabilitation, remodeling or repair, or any
23 demolition or destruction in preparation for the physical work, after the place where
24 the property is located was designated a development zone under s. 560.71, 2009
25 stats., and the completed project must be placed in service after the claimant is

1 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, “physical
2 work” does not include preliminary activities such as planning, designing, securing
3 financing, researching, developing specifications or stabilizing the property to
4 prevent deterioration.

5 **SECTION 1785.** 71.07 (2dL) (ar) of the statutes is amended to read:

6 71.07 (2dL) (ar) If the credit under par. (a) is claimed for an amount expended
7 to acquire property, the property must have been acquired by the claimant after the
8 place where the property is located was designated a development zone under s.
9 560.71, 2009 stats., and the completed project must be placed in service after the
10 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
11 property must not have been previously owned by the claimant or a related person
12 during the 2 years prior to the designation of the development zone under s. 560.71,
13 2009 stats. No credit is allowed for an amount expended to acquire property until
14 the property, either in its original state as acquired by the claimant or as
15 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

16 **SECTION 1786.** 71.07 (2dL) (bm) of the statutes is amended to read:

17 71.07 (2dL) (bm) In calculating the credit under par. (a) a claimant shall reduce
18 the amount expended to acquire property by a percentage equal to the percentage of
19 the area of the real property not used for the purposes for which the claimant is
20 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
21 amount expended for other purposes by the amount expended on the part of the
22 property not used for the purposes for which the claimant is certified to claim tax
23 benefits under s. 560.765 (3), 2009 stats.

24 **SECTION 1787.** 71.07 (2dL) (c) of the statutes is amended to read: