

1 71.07 (2dL) (c) If the claimant is located on an Indian reservation, as defined
2 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
3 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
4 enterprise, as defined in sub. (2di) (b) 2., and if the allowable amount of the credit
5 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
6 the claimant's income, the amount of the credit not used as an offset against those
7 taxes shall be certified to the department of administration for payment to the
8 claimant by check, share draft or other draft.

9 **SECTION 1788.** 71.07 (2dm) (a) 1. of the statutes is amended to read:

10 71.07 (2dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
11 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
12 238.398 (5), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
13 or s. 560.7995 (4), 2009 stats.

14 **SECTION 1789.** 71.07 (2dm) (a) 3. of the statutes is amended to read:

15 71.07 (2dm) (a) 3. "Development zone" means a development opportunity zone
16 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or
17 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
18 560.7995, 2009 stats.

19 **SECTION 1790.** 71.07 (2dm) (a) 4. of the statutes is amended to read:

20 71.07 (2dm) (a) 4. "Previously owned property" means real property that the
21 claimant or a related person owned during the 2 years prior to the department of
22 commerce or the Wisconsin Economic Development Corporation designating the
23 place where the property is located as a development zone and for which the claimant
24 may not deduct a loss from the sale of the property to, or an exchange of the property
25 with, the related person under section 267 of the Internal Revenue Code, except that

1 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns
2 any part of the property, rather than 50% ownership, the claimant is subject to
3 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

4 **SECTION 1791.** 71.07 (2dm) (f) 1. of the statutes is amended to read:

5 71.07 (2dm) (f) 1. A copy of a ~~the~~ verification ~~from the department of commerce~~
6 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)
7 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or
8 s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

9 **SECTION 1792.** 71.07 (2dm) (f) 2. of the statutes is amended to read:

10 71.07 (2dm) (f) 2. A statement from the department of commerce or the
11 Wisconsin Economic Development Corporation verifying the purchase price of the
12 investment and verifying that the investment fulfills the requirements under par.
13 (b).

14 **SECTION 1793.** 71.07 (2dm) (i) of the statutes is amended to read:

15 71.07 (2dm) (i) Partnerships, limited liability companies, and tax-option
16 corporations may not claim the credit under this subsection, but the eligibility for,
17 and the amount of, that credit shall be determined on the basis of their economic
18 activity, not that of their shareholders, partners, or members. The corporation,
19 partnership, or limited liability company shall compute the amount of credit that
20 may be claimed by each of its shareholders, partners, or members and provide that
21 information to its shareholders, partners, or members. Partners, members of limited
22 liability companies, and shareholders of tax-option corporations may claim the
23 credit based on the partnership's, company's, or corporation's activities in proportion
24 to their ownership interest and may offset it against the tax attributable to their
25 income from the partnership's, company's, or corporation's business operations in the

1 development zone; except that partners, members, and shareholders in a
2 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
3 the credit against the amount of the tax attributable to their income.

4 **SECTION 1794.** 71.07 (2dm) (j) of the statutes is amended to read:

5 71.07 **(2dm)** (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
6 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
7 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
8 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
9 revoked, that person may claim no credits under this subsection for the taxable year
10 that includes the day on which the person becomes ineligible for tax benefits, the
11 taxable year that includes the day on which the certification is revoked, or succeeding
12 taxable years, and that person may carry over no unused credits from previous years
13 to offset tax under this chapter for the taxable year that includes the day on which
14 the person becomes ineligible for tax benefits, the taxable year that includes the day
15 on which the certification is revoked, or succeeding taxable years.

16 **SECTION 1795.** 71.07 (2dm) (k) of the statutes is amended to read:

17 71.07 **(2dm)** (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.
18 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
19 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
20 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
21 during any of the taxable years that that zone exists, that person may not carry over
22 to any taxable year following the year during which operations cease any unused
23 credits from the taxable year during which operations cease or from previous taxable
24 years.

25 **SECTION 1796.** 71.07 (2dr) (a) of the statutes is amended to read:

1 71.07 (2dr) (a) *Credit*. Any person may credit against taxes otherwise due
2 under this chapter an amount equal to 5% of the amount obtained by subtracting
3 from the person's qualified research expenses, as defined in section 41 of the internal
4 revenue code, except that "qualified research expenses" include only expenses
5 incurred by the claimant in a development zone under subch. VI of ch. 560, 2009
6 stats., except that a taxpayer may elect the alternative computation under section
7 41 (c) (4) of the Internal Revenue Code and that election applies until the department
8 permits its revocation and except that "qualified research expenses" do not include
9 compensation used in computing the credit under sub. (2dj) nor research expenses
10 incurred before the claimant is certified for tax benefits under s. 560.765 (3), 2009
11 stats., the person's base amount, as defined in section 41 (c) of the internal revenue
12 code, in a development zone, except that gross receipts used in calculating the base
13 amount means gross receipts from sales attributable to Wisconsin under s. 71.04 (7)
14 (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj) 1. and (dk) 1. and research expenses
15 used in calculating the base amount include research expenses incurred before the
16 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., in a
17 development zone, if the claimant submits with the claimant's return a copy of the
18 claimant's certification for tax benefits under s. 560.765 (3) 2009 stats., and a
19 statement from the department of commerce verifying the claimant's qualified
20 research expenses for research conducted exclusively in a development zone. The
21 rules under s. 73.03 (35) apply to the credit under this paragraph. The rules under
22 sub. (2di) (f) and (g), as they apply to the credit under that subsection, apply to claims
23 under this paragraph. Section 41 (h) of the internal revenue code does not apply to
24 the credit under this paragraph.

25 **SECTION 1797.** 71.07 (2dr) (b) of the statutes is amended to read:

1 71.07 **(2dr)** (b) *Development opportunity zones.* The development zones
2 research credit under par. (a), as it applies to a person certified under s. 560.765 (3),
3 2009 stats., applies to a person that conducts economic activity in a development
4 opportunity zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits
5 under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats.
6 A development opportunity zone credit under this paragraph may be calculated
7 using expenses incurred by a claimant beginning on the effective date under s.
8 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the
9 area in which the claimant conducts economic activity.

10 **SECTION 1798.** 71.07 (2ds) (a) 1. of the statutes is amended to read:

11 71.07 **(2ds)** (a) 1. "Development zone" means a zone designated under s. 560.71,
12 2009 stats.

13 **SECTION 1799.** 71.07 (2ds) (b) of the statutes is amended to read:

14 71.07 **(2ds)** (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
15 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
16 for tax benefits, any person may claim as a credit against taxes otherwise due under
17 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
18 and rentals of eligible property. Partnerships, limited liability companies and
19 tax-option corporations may not claim the credit under this subsection, but the
20 eligibility for, and the amount of, that credit shall be determined on the basis of their
21 economic activity, not that of their partners, members or shareholders. The
22 partnership, limited liability company or corporation shall compute the amount of
23 credit that may be claimed by each of its partners, members or shareholders and
24 shall provide that information to each of its partners, members or shareholders.
25 Partners, members of a limited liability company and shareholders of tax-option

1 corporations may claim the credit based on the partnership's, company's or
2 corporation's activities in proportion to their ownership interest.

3 **SECTION 1800.** 71.07 (2ds) (d) 1. of the statutes is amended to read:

4 71.07 (2ds) (d) 1. A copy of the claimant's certification for tax benefits under
5 s. 560.765 (3), 2009 stats.

6 **SECTION 1801.** 71.07 (2dx) (a) 2. of the statutes is amended to read:

7 71.07 (2dx) (a) 2. "Development zone" means a development zone under s.
8 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
9 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.
10 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
11 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
12 560.7995, 2009 stats.

13 **SECTION 1803.** 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

14 71.07 (2dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
15 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
16 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
17 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
18 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
19 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
20 the taxes otherwise due under this chapter the following amounts:

21 **SECTION 1804.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

22 71.07 (2dx) (b) 2. The amount determined by multiplying the amount
23 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
24 of full-time jobs created in a development zone and filled by a member of a targeted

1 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
2 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

3 **SECTION 1805.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

4 71.07 (2dx) (b) 3. The amount determined by multiplying the amount
5 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
6 of full-time jobs created in a development zone and not filled by a member of a
7 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
8 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

9 **SECTION 1806.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

10 71.07 (2dx) (b) 4. The amount determined by multiplying the amount
11 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
12 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
13 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
14 (2dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
15 and for which significant capital investment was made and by then subtracting the
16 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
17 under s. 49.147 (3m) (c) for those jobs.

18 **SECTION 1807.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

19 71.07 (2dx) (b) 5. The amount determined by multiplying the amount
20 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
21 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
22 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in
23 a development zone and not filled by a member of a targeted group and by then
24 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
25 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

1 **SECTION 1808.** 71.07 (2dx) (be) of the statutes is amended to read:

2 71.07 (2dx) (be) *Offset.* A claimant in a development zone under s. 238.395 (1)
3 (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
4 subsection, including any credits carried over, against the amount of the tax
5 otherwise due under this subchapter attributable to all of the claimant's income and
6 against the tax attributable to income from directly related business operations of
7 the claimant.

8 **SECTION 1809.** 71.07 (2dx) (bg) of the statutes is amended to read:

9 71.07 (2dx) (bg) *Other entities.* For claimants in a development zone under s.
10 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
11 companies, and tax-option corporations may not claim the credit under this
12 subsection, but the eligibility for, and amount of, that credit shall be determined on
13 the basis of their economic activity, not that of their shareholders, partners, or
14 members. The corporation, partnership, or company shall compute the amount of
15 the credit that may be claimed by each of its shareholders, partners, or members and
16 shall provide that information to each of its shareholders, partners, or members.
17 Partners, members of limited liability companies, and shareholders of tax-option
18 corporations may claim the credit based on the partnership's, company's, or
19 corporation's activities in proportion to their ownership interest and may offset it
20 against the tax attributable to their income.

21 **SECTION 1810.** 71.07 (2dx) (c) of the statutes is amended to read:

22 71.07 (2dx) (c) *Credit precluded.* If the certification of a person for tax benefits
23 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
24 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
25 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395

1 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
2 subsection for the taxable year that includes the day on which the certification is
3 revoked; the taxable year that includes the day on which the person becomes
4 ineligible for tax benefits; or succeeding taxable years and that person may not carry
5 over unused credits from previous years to offset tax under this chapter for the
6 taxable year that includes the day on which certification is revoked; the taxable year
7 that includes the day on which the person becomes ineligible for tax benefits; or
8 succeeding taxable years.

9 **SECTION 1811.** 71.07 (2dx) (d) of the statutes is amended to read:

10 71.07 (2dx) (d) *Carry-over precluded.* If a person who is entitled under s.
11 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
12 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
13 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
14 tax benefits ceases business operations in the development zone during any of the
15 taxable years that that zone exists, that person may not carry over to any taxable
16 year following the year during which operations cease any unused credits from the
17 taxable year during which operations cease or from previous taxable years.

18 **SECTION 1812.** 71.07 (2dy) (a) of the statutes is amended to read:

19 71.07 (2dy) (a) *Definition.* In this subsection, “claimant” means a person who
20 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
21 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
22 2009 stats.

23 **SECTION 1813.** 71.07 (2dy) (b) of the statutes is amended to read:

24 71.07 (2dy) (b) *Filing claims.* Subject to the limitations under this subsection
25 and ss. 238.301 to 238.306 or ss. 560.701 to 560.706, 2009 stats., for taxable years

1 beginning after December 31, 2008, a claimant may claim as a credit against the tax
2 imposed under s. 71.02 or 71.08, up to the amount of the tax, the amount authorized
3 for the claimant under s. 238.303 or s. 560.703, 2009 stats.

4 **SECTION 1814.** 71.07 (2dy) (c) 1. of the statutes is amended to read:

5 71.07 (2dy) (c) 1. No credit may be allowed under this subsection unless the
6 claimant includes with the claimant's return a copy of the claimant's certification
7 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice
8 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

9 **SECTION 1815.** 71.07 (2dy) (c) 2. of the statutes is amended to read:

10 71.07 (2dy) (c) 2. Partnerships, limited liability companies, and tax-option
11 corporations may not claim the credit under this subsection, but the eligibility for,
12 and the amount of, the credit are based on their authorization to claim tax benefits
13 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
14 or tax-option corporation shall compute the amount of credit that each of its
15 partners, members, or shareholders may claim and shall provide that information
16 to each of them. Partners, members of limited liability companies, and shareholders
17 of tax-option corporations may claim the credit in proportion to their ownership
18 interests.

19 **SECTION 1816.** 71.07 (2dy) (d) 2. of the statutes is amended to read:

20 71.07 (2dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
21 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
22 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
23 subsection for the taxable year that includes the day on which the certification is
24 revoked; the taxable year that includes the day on which the claimant becomes
25 ineligible for tax benefits; or succeeding taxable years and the claimant may not

1 carry over unused credits from previous years to offset the tax imposed under s. 71.02
2 or 71.08 for the taxable year that includes the day on which certification is revoked;
3 the taxable year that includes the day on which the claimant becomes ineligible for
4 tax benefits; or succeeding taxable years.

5 **SECTION 1817.** 71.07 (3g) (a) (intro.) of the statutes is amended to read:

6 71.07 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
7 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under
8 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
9 imposed under s. 71.02 an amount equal to the sum of the following, as established
10 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.

11 **SECTION 1818.** 71.07 (3g) (b) of the statutes is amended to read:

12 71.07 (3g) (b) The department of revenue shall notify the department of
13 commerce or the Wisconsin Economic Development Corporation of all claims under
14 this subsection.

15 **SECTION 1819.** 71.07 (3g) (e) 2. of the statutes is amended to read:

16 71.07 (3g) (e) 2. The investments that relate to the amount described under par.
17 (a) 2. for which a claimant makes a claim under this subsection must be retained for
18 use in the technology zone for the period during which the claimant's business is
19 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

20 **SECTION 1820.** 71.07 (3g) (f) 1. of the statutes is amended to read:

21 71.07 (3g) (f) 1. A copy of ~~a~~ the verification from the department of commerce
22 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009
23 stats., and that the business ~~and the department of commerce have~~ has entered into
24 an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

25 **SECTION 1821.** 71.07 (3g) (f) 2. of the statutes is amended to read:

1 71.07 (3g) (f) 2. A statement from the department of commerce or the Wisconsin
2 Economic Development Corporation verifying the purchase price of the investment
3 described under par. (a) 2. and verifying that the investment fulfills the requirement
4 under par. (e) 2.

5 **SECTION 1822.** 71.07 (3p) (b) of the statutes is amended to read:

6 71.07 (3p) (b) *Filing claims.* Subject to the limitations provided in this
7 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
8 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
9 claimant may claim as a credit against the taxes imposed under s. 71.02 or 71.08, up
10 to the amount of the tax, an amount equal to 10 percent of the amount the claimant
11 paid in the taxable year for dairy manufacturing modernization or expansion related
12 to the claimant's dairy manufacturing operation.

13 **SECTION 1822d.** 71.07 (3p) (c) 2. of the statutes is amended to read:

14 71.07 (3p) (c) 2. The aggregate amount of credits that a claimant may claim
15 under this subsection is \$200,000 for each of the claimant's dairy manufacturing
16 facilities.

17 **SECTION 1823.** 71.07 (3p) (c) 2m. a. of the statutes is amended to read:

18 71.07 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
19 under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2007-08 is
20 \$600,000, as allocated under s. 560.207, 2009 stats.

21 **SECTION 1824.** 71.07 (3p) (c) 2m. b. of the statutes is amended to read:

22 71.07 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
23 by all claimants, other than members of dairy cooperatives, under this subsection
24 and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
25 thereafter, is \$700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

1 **SECTION 1825.** 71.07 (3p) (c) 2m. bm. of the statutes is amended to read:

2 71.07 **(3p)** (c) 2m. bm. The maximum amount of the credits that may be claimed
3 by members of dairy cooperatives under this subsection and ss. 71.28 (3p) and 71.47
4 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
5 the maximum amount of the credits that may be claimed by members of dairy
6 cooperatives under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year
7 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 93.535
8 or s. 560.207, 2009 stats.

9 **SECTION 1826d.** 71.07 (3p) (c) 4. of the statutes is amended to read:

10 71.07 **(3p)** (c) 4. If 2 or more persons own and operate ~~the a~~ dairy manufacturing
11 ~~operation~~ facility, each person may claim a credit under par. (b) in proportion to his
12 or her ownership interest, except that the aggregate amount of the credits claimed
13 by all persons who own and operate the dairy manufacturing ~~operation~~ facility shall
14 not exceed \$200,000.

15 **SECTION 1827.** 71.07 (3p) (c) 6. of the statutes is amended to read:

16 71.07 **(3p)** (c) 6. No credit may be allowed under this subsection unless the
17 claimant submits with the claimant's return a copy of the claimant's credit
18 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

19 **SECTION 1828.** 71.07 (3q) (a) 1. of the statutes is amended to read:

20 71.07 **(3q)** (a) 1. "Claimant" means a person certified to receive tax benefits
21 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

22 **SECTION 1829.** 71.07 (3q) (a) 2. of the statutes is amended to read:

23 71.07 **(3q)** (a) 2. "Eligible employee" means, for taxable years beginning before
24 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
25 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for

1 taxable years beginning after December 31, 2010, an eligible employee under s.
2 238.16 (1) (b) who satisfies the wage requirements under s. 238.16 (3) (a) or (b).

3 **SECTION 1830.** 71.07 (3q) (b) (intro.) of the statutes is amended to read:

4 71.07 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
5 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
6 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
7 ss. 71.02 and 71.08 any of the following.

8 **SECTION 1831.** 71.07 (3q) (b) 1. of the statutes is amended to read:

9 71.07 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
10 employee in the taxable year, not to exceed 10 percent of such wages, as determined
11 by the Wisconsin Economic Development Corporation under s. 238.16 or the
12 department of commerce under s. 560.2055, 2009 stats.

13 **SECTION 1832.** 71.07 (3q) (b) 2. of the statutes is amended to read:

14 71.07 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
15 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
16 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

17 **SECTION 1833.** 71.07 (3q) (c) 2. of the statutes is amended to read:

18 71.07 (3q) (c) 2. No credit may be allowed under this subsection unless the
19 claimant includes with the claimant's return a copy of the claimant's certification for
20 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

21 **SECTION 1834.** 71.07 (3q) (c) 3. of the statutes is amended to read:

22 71.07 (3q) (c) 3. The maximum amount of credits that may be awarded under
23 this subsection and ss. 71.28 (3q) and 71.47 (3q) for the period beginning on January
24 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
25 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

1 **SECTION 1835.** 71.07 (3r) (b) of the statutes is amended to read:

2 71.07 (3r) (b) *Filing claims.* Subject to the limitations provided in this
3 subsection and s. 93.545 or s. 560.208, 2009 stats., for taxable years beginning after
4 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
5 against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax, an
6 amount equal to 10 percent of the amount the claimant paid in the taxable year for
7 meat processing modernization or expansion related to the claimant's meat
8 processing operation.

9 **SECTION 1836.** 71.07 (3r) (c) 3. a. of the statutes is amended to read:

10 71.07 (3r) (c) 3. a. The maximum amount of the credits that may be allocated
11 under this subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2009-10 is
12 \$300,000, as allocated under s. 560.208, 2009 stats.

13 **SECTION 1837.** 71.07 (3r) (c) 3. b. of the statutes is amended to read:

14 71.07 (3r) (c) 3. b. The maximum amount of the credits that may be allocated
15 under this subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2010-11, and in
16 each fiscal year thereafter, is \$700,000, as allocated under s. 93.545 or s. 560.208,
17 2009 stats.

18 **SECTION 1838.** 71.07 (3r) (c) 6. of the statutes is amended to read:

19 71.07 (3r) (c) 6. No credit may be allowed under this subsection unless the
20 claimant submits with the claimant's return a copy of the claimant's credit
21 certification and allocation under s. 93.545 or s. 560.208, 2009 stats.

22 **SECTION 1839.** 71.07 (3rm) (b) of the statutes is amended to read:

23 71.07 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
24 subsection and s. 93.547 or s. 560.209, 2009 stats., for taxable years beginning after
25 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit

1 against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax, an
2 amount equal to 10 percent of the amount the claimant paid in the taxable year for
3 equipment that is used primarily to harvest or process woody biomass that is used
4 as fuel or as a component of fuel.

5 **SECTION 1840.** 71.07 (3rm) (c) 3. of the statutes is amended to read:

6 71.07 (3rm) (c) 3. The maximum amount of the credits that may be claimed
7 under this subsection and ss. 71.28 (3rm) and 71.47 (3rm) is \$900,000, as allocated
8 under s. 93.547 or s. 560.209, 2009 stats.

9 **SECTION 1841.** 71.07 (3rn) (b) of the statutes is amended to read:

10 71.07 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
11 subsection and s. ~~506.2056~~ 93.54 or s. 560.2056, 2009 stats., for taxable years
12 beginning after December 31, 2009, and before January 1, 2017, a claimant may
13 claim as a credit against the tax imposed under ss. 71.02 and 71.08, up to the amount
14 of the tax, an amount equal to 10 percent of the amount the claimant paid in the
15 taxable year for food processing or food warehousing modernization or expansion
16 related to the operation of the claimant's food processing plant or food warehouse.

17 **SECTION 1842.** 71.07 (3rn) (c) 3. a. of the statutes is amended to read:

18 71.07 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated
19 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is
20 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

21 **SECTION 1843.** 71.07 (3rn) (c) 3. b. of the statutes is amended to read:

22 71.07 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
23 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is
24 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

25 **SECTION 1844.** 71.07 (3rn) (c) 3. c. of the statutes is amended to read:

1 71.07 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
2 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and
3 in each year thereafter, is \$700,000, as allocated under s. 93.54 or s. 560.2056, 2009
4 stats.

5 **SECTION 1845.** 71.07 (3rn) (c) 6. of the statutes is amended to read:

6 71.07 (3rn) (c) 6. No credit may be allowed under this subsection unless the
7 claimant submits with the claimant's return a copy of the claimant's credit
8 certification and allocation under s. 93.54 or s. 560.2056, 2009 stats.

9 **SECTION 1846.** 71.07 (3t) (b) of the statutes is amended to read:

10 71.07 (3t) (b) *Credit.* Subject to the limitations provided in this subsection and
11 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
12 claimant may claim as a credit, amortized over 15 taxable years starting with the
13 taxable year beginning after December 31, 2007, against the tax imposed under s.
14 71.02 and 71.08, up to the amount of the tax, an amount equal to the claimant's
15 unused credits under s. 71.07 (3s).

16 **SECTION 1847.** 71.07 (3t) (c) 1. of the statutes is amended to read:

17 71.07 (3t) (c) 1. No credit may be claimed under this subsection unless the
18 claimant submits with the claimant's return a copy of the claimant's certification by
19 the department of commerce under s. 560.28, 2009 stats., except that, with regard
20 to credits claimed by partners of a partnership, members of a limited liability
21 company, or shareholders of a tax-option corporation, the entity shall provide a copy
22 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
23 to submit with his or her return.

24 **SECTION 1848.** 71.07 (3w) (a) 2. of the statutes is amended to read:

1 71.07 (3w) (a) 2. “Claimant” means a person who is certified to claim tax
2 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
3 this subsection.

4 **SECTION 1849.** 71.07 (3w) (a) 3. of the statutes is amended to read:

5 71.07 (3w) (a) 3. “Full-time employee” means a full-time employee, as defined
6 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

7 **SECTION 1850.** 71.07 (3w) (a) 4. of the statutes is amended to read:

8 71.07 (3w) (a) 4. “Enterprise zone” means a zone designated under s. 238.399
9 or s. 560.799, 2009 stats.

10 **SECTION 1851.** 71.07 (3w) (a) 5d. of the statutes is amended to read:

11 71.07 (3w) (a) 5d. “Tier I county or municipality” means a tier I county or
12 municipality, as determined by ~~the department of commerce~~ under s. 238.399 or s.
13 560.799, 2009 stats.

14 **SECTION 1852.** 71.07 (3w) (a) 5e. of the statutes is amended to read:

15 71.07 (3w) (a) 5e. “Tier II county or municipality” means a tier II county or
16 municipality, as determined by ~~the department of commerce~~ under s. 238.399 or s.
17 560.799, 2009 stats.

18 **SECTION 1853.** 71.07 (3w) (b) (intro.) of the statutes is amended to read:

19 71.07 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
20 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
21 claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount
22 calculated as follows:

23 **SECTION 1854.** 71.07 (3w) (b) 5. of the statutes is amended to read:

1 71.07 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
2 percentage determined by ~~the department of commerce~~ under s. 238.399 or s.
3 560.799, 2009 stats., not to exceed 7 percent.

4 **SECTION 1855.** 71.07 (3w) (bm) 1. of the statutes is amended to read:

5 71.07 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
6 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
7 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
8 s. 71.02 or 71.08 an amount equal to a percentage, as determined ~~by the department~~
9 ~~of commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent,
10 of the amount the claimant paid in the taxable year to upgrade or improve the
11 job-related skills of any of the claimant's full-time employees, to train any of the
12 claimant's full-time employees on the use of job-related new technologies, or to
13 provide job-related training to any full-time employee whose employment with the
14 claimant represents the employee's first full-time job. This subdivision does not
15 apply to employees who do not work in an enterprise zone.

16 **SECTION 1856.** 71.07 (3w) (bm) 2. of the statutes is amended to read:

17 71.07 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
18 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
19 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
20 s. 71.02 or 71.08 an amount equal to the percentage, as determined ~~by the~~
21 ~~department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7
22 percent, of the claimant's zone payroll paid in the taxable year to all of the claimant's
23 full-time employees whose annual wages are greater than \$20,000 in a tier I county
24 or municipality, not including the wages paid to the employees determined under
25 par. (b) 1., or greater than \$30,000 in a tier II county or municipality, not including

1 the wages paid to the employees determined under par. (b) 1., and who the claimant
2 employed in the enterprise zone in the taxable year, if the total number of such
3 employees is equal to or greater than the total number of such employees in the base
4 year. A claimant may claim a credit under this subdivision for no more than 5
5 consecutive taxable years.

6 **SECTION 1857.** 71.07 (3w) (bm) 3. of the statutes is amended to read:

7 71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
8 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
9 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
10 may claim as a credit against the tax imposed under s. 71.02 or 71.08 up to 10 percent
11 of the claimant's significant capital expenditures, as determined ~~by the department~~
12 ~~of commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

13 **SECTION 1858.** 71.07 (3w) (bm) 4. of the statutes is amended to read:

14 71.07 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
15 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
16 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
17 may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to 1 percent
18 of the amount that the claimant paid in the taxable year to purchase tangible
19 personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
20 services from Wisconsin vendors, as determined ~~by the department of commerce~~
21 under s. 238.399 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may
22 not claim the credit under this subdivision and subd. 3. for the same expenditures.

23 **SECTION 1859.** 71.07 (3w) (c) 3. of the statutes is amended to read:

1 71.07 (3w) (c) 3. No credit may be allowed under this subsection unless the
2 claimant includes with the claimant's return a copy of the claimant's certification for
3 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

4 **SECTION 1860.** 71.07 (3w) (d) of the statutes is amended to read:

5 71.07 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
6 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
7 include with their returns a copy of their certification for tax benefits, and a copy of
8 the verification of their expenses, from the department of commerce or the Wisconsin
9 Economic Development Corporation.

10 **SECTION 1861.** 71.07 (5b) (a) 2. of the statutes is amended to read:

11 71.07 (5b) (a) 2. "Fund manager" means an investment fund manager certified
12 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

13 **SECTION 1862.** 71.07 (5b) (b) 1. of the statutes is amended to read:

14 71.07 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
15 to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009
16 stats., and except as provided in subd. 2., a claimant may claim as a credit against
17 the tax imposed under ss. 71.02 and 71.08, up to the amount of those taxes, 25 percent
18 of the claimant's investment paid to a fund manager that the fund manager invests
19 in a business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

20 **SECTION 1863.** 71.07 (5b) (b) 2. of the statutes is amended to read:

21 71.07 (5b) (b) 2. In the case of a partnership, limited liability company, or
22 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
23 shall be determined at the entity level rather than the claimant level and may be
24 allocated among the claimants who make investments in the manner set forth in the
25 entity's organizational documents. The entity shall provide to the department of

1 revenue and to the department of commerce or the Wisconsin Economic
2 Development Corporation the names and tax identification numbers of the
3 claimants, the amounts of the credits allocated to the claimants, and the
4 computation of the allocations.

5 **SECTION 1864.** 71.07 (5b) (d) 3. of the statutes is amended to read:

6 71.07 (5b) (d) 3. For ~~calendar years beginning~~ investments made after
7 December 31, 2007, if an investment for which a claimant claims a credit under par.
8 (b) is held by the claimant for less than 3 years, the claimant shall pay to the
9 department, in the manner prescribed by the department, the amount of the credit
10 that the claimant received related to the investment.

11 **SECTION 1865.** 71.07 (5d) (a) 1. (intro.) of the statutes is amended to read:

12 71.07 (5d) (a) 1. (intro.) “Bona fide angel investment” means a purchase of an
13 equity interest, or any other expenditure, as determined by rule under s. 238.15 or
14 s. 560.205, 2009 stats., that is made by any of the following:

15 **SECTION 1866.** 71.07 (5d) (a) 2m. of the statutes is amended to read:

16 71.07 (5d) (a) 2m. “Person” means a partnership or limited liability company
17 that is a nonoperating entity, as determined by the department of commerce or the
18 Wisconsin Economic Development Corporation, a natural person, or fiduciary.

19 **SECTION 1867.** 71.07 (5d) (a) 3. of the statutes is amended to read:

20 71.07 (5d) (a) 3. “Qualified new business venture” means a business that is
21 certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

22 **SECTION 1868.** 71.07 (5d) (b) (intro.) of the statutes is amended to read:

23 71.07 (5d) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
24 subsection and in s. 238.15 or s. 560.205, 2009 stats., a claimant may claim as a credit

1 against the tax imposed under s. 71.02 or 71.08, up to the amount of those taxes, the
2 following:

3 **SECTION 1869.** 71.07 (5d) (b) 1. of the statutes is amended to read:

4 71.07 (5d) (b) 1. For taxable years beginning before January 1, 2008, in each
5 taxable year for 2 consecutive years, beginning with the taxable year as certified by
6 the department of commerce or the Wisconsin Economic Development Corporation,
7 an amount equal to 12.5 percent of the claimant's bona fide angel investment made
8 directly in a qualified new business venture.

9 **SECTION 1870.** 71.07 (5d) (b) 2. of the statutes is amended to read:

10 71.07 (5d) (b) 2. For taxable years beginning after December 31, 2007, for the
11 taxable year certified by the department of commerce or the Wisconsin Economic
12 Development Corporation, an amount equal to 25 percent of the claimant's bona fide
13 angel investment made directly in a qualified new business venture.

14 **SECTION 1871.** 71.07 (5d) (c) 2. of the statutes is amended to read:

15 71.07 (5d) (c) 2. For taxable years beginning before January 1, 2008, the
16 maximum amount of a claimant's investment that may be used as the basis for a
17 credit under this subsection is \$2,000,000 for each investment made directly in a
18 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

19 **SECTION 1873.** 71.07 (5d) (d) 1. of the statutes is amended to read:

20 71.07 (5d) (d) 1. For ~~calendar years beginning~~ investments made after
21 December 31, 2007, if an investment for which a claimant claims a credit under par.
22 (b) is held by the claimant for less than 3 years, the claimant shall pay to the
23 department, in the manner prescribed by the department, the amount of the credit
24 that the claimant received related to the investment.

25 **SECTION 1874.** 71.07 (5f) (a) 1. (intro.) of the statutes is amended to read:

1 71.07 (5f) (a) 1. (intro.) “Accredited production” means a film, video, broadcast
2 advertisement, or television production, as approved by the department of commerce
3 or the department of tourism, for which the aggregate salary and wages included in
4 the cost of the production for the period ending 12 months after the month in which
5 the principal filming or taping of the production begins exceeds \$50,000. “Accredited
6 production” also means an electronic game, as approved by the department of
7 commerce or the department of tourism, for which the aggregate salary and wages
8 included in the cost of the production for the period ending 36 months after the month
9 in which the principal programming, filming, or taping of the production begins
10 exceeds \$100,000. “Accredited production” does not include any of the following,
11 regardless of the production costs:

12 **SECTION 1875.** 71.07 (5f) (a) 3. of the statutes is amended to read:

13 71.07 (5f) (a) 3. “Production expenditures” means any expenditures that are
14 incurred in this state and directly used to produce an accredited production,
15 including expenditures for set construction and operation, wardrobes, make-up,
16 clothing accessories, photography, sound recording, sound synchronization, sound
17 mixing, lighting, editing, film processing, film transferring, special effects, visual
18 effects, renting or leasing facilities or equipment, renting or leasing motor vehicles,
19 food, lodging, and any other similar expenditure as determined by the department
20 of commerce or the department of tourism. “Production expenditures” do not include
21 salary, wages, or labor-related contract payments.

22 **SECTION 1876.** 71.07 (5f) (c) 6. of the statutes is amended to read:

23 71.07 (5f) (c) 6. No credit may be allowed under this subsection unless the
24 claimant files an application with the department of commerce or the department of
25 tourism, at the time and in the manner prescribed by the department of commerce

1 or the department of tourism, and the department of commerce or the department
2 of tourism approves the application. The claimant shall submit a fee with the
3 application in an amount equal to 2 percent of the claimant's budgeted production
4 expenditures or to \$5,000, whichever is less. The claimant shall submit a copy of the
5 approved application with the claimant's return.

6 **SECTION 1877.** 71.07 (5h) (c) 4. of the statutes is amended to read:

7 71.07 (5h) (c) 4. No claim may be allowed under this subsection unless the
8 department of commerce or the department of tourism certifies, in writing, that the
9 credits claimed under this subsection are for expenses related to establishing or
10 operating a film production company in this state and the claimant submits a copy
11 of the certification with the claimant's return.

12 **SECTION 1878.** 71.07 (5i) (c) 1. of the statutes is amended to read:

13 71.07 (5i) (c) 1. The maximum amount of the credits that may be claimed under
14 this subsection and ss. 71.28 (5i) and 71.47 (5i) in a taxable year is \$10,000,000, as
15 allocated under s. 73.15 or s. 560.204, 2009 stats.

16 **SECTION 1879.** 71.07 (5j) (a) 2d. of the statutes is amended to read:

17 71.07 (5j) (a) 2d. "Diesel replacement renewable fuel" includes biodiesel and
18 any other fuel derived from a renewable resource that meets all of the applicable
19 requirements of the American Society for Testing and Materials for that fuel and that
20 the department of commerce or the department of safety and professional services
21 designates by rule as a diesel replacement renewable fuel.

22 **SECTION 1880.** 71.07 (5j) (a) 2m. of the statutes is amended to read:

23 71.07 (5j) (a) 2m. "Gasoline replacement renewable fuel" includes ethanol and
24 any other fuel derived from a renewable resource that meets all of the applicable
25 requirements of the American Society for Testing and Materials for that fuel and that

1 the department of commerce or the department of safety and professional services
2 designates by rule as a gasoline replacement renewable fuel.

3 **SECTION 1881.** 71.07 (5j) (c) 3. of the statutes is amended to read:

4 71.07 (5j) (c) 3. The department of commerce or the department of safety and
5 professional services shall establish standards to adequately prevent, in the
6 distribution of conventional fuel to an end user, the inadvertent distribution of fuel
7 containing a higher percentage of renewable fuel than the maximum percentage
8 established by the federal environmental protection agency for use in
9 conventionally-fueled engines.

10 **SECTION 1881n.** 71.07 (5n) of the statutes is created to read:

11 71.07 (5n) QUALIFIED PRODUCTION ACTIVITIES CREDIT. (a) *Definitions.* In this
12 subsection:2

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

14 2. "Eligible qualified production activities income" means qualified production
15 activities income that derives from property located in this state that is assessed as
16 manufacturing property under s. 70.995 or as agricultural property under s. 70.32
17 (2) (a) 4.

18 3. "Qualified production activities income" means qualified production
19 activities income as defined in 26 USC 199 (c).

20 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
21 claimant may claim as a credit against the tax imposed under s. 71.02, up to the
22 amount of the tax, an amount equal to one of the following percentages of the
23 claimant's eligible qualified production activities income in the taxable year:

24 1. For taxable years beginning after December 31, 2012, and before January
25 1, 2014, 1.875 percent.

1 2. For taxable years beginning after December 31, 2013, and before January
2 1, 2015, 3.75 percent.

3 3. For taxable years beginning after December 31, 2014, and before January
4 1, 2016, 5.526 percent.

5 4. For taxable years beginning after December 31, 2015, 7.5 percent.

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

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

16 **SECTION 1883.** 71.07 (9e) (af) (intro.) of the statutes is amended to read:

17 71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,
18 and before January 1, 2011, any natural person may credit against the tax imposed
19 under s. 71.02 an amount equal to one of the following percentages of the federal
20 basic earned income credit for which the person is eligible for the taxable year under
21 section 32 (b) (1) (A) to (C) of the ~~internal revenue code~~ Internal Revenue Code:

22 **SECTION 1884.** 71.07 (9e) (aj) of the statutes is created to read:

23 71.07 (9e) (aj) For taxable years beginning after December 31, 2010, an
24 individual may credit against the tax imposed under s. 71.02 an amount equal to one
25 of the following percentages of the federal basic earned income credit for which the

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1 person is eligible for the taxable year under section 32 (b) (1) (A) to (C) of the Internal
2 Revenue Code:

3 1. If the person has one qualifying child who has the same principal place of
4 abode as the person, 4 percent.

5 2. If the person has 2 qualifying children who have the same principal place of
6 abode as the person, 11 percent.

7 3. If the person has 3 or more qualifying children who have the same principal
8 place of abode as the person, 34 percent.

9 **SECTION 1887c.** 71.10 (3) of the statutes is repealed.

10 **SECTION 1887d.** 71.10 (4) (cr) of the statutes is created to read:

11 71.10 (4) (cr) Qualified production activities credit under s. 71.07 (5n).

12 **SECTION 1888b.** 71.10 (5f) (i) of the statutes is amended to read:

13 71.10 (5f) (i) *Appropriations.* From the moneys received from designations for
14 the breast cancer research program, an amount equal to the sum of administrative
15 expenses, including data processing costs, certified under par. (h) 1. shall be
16 deposited in the general fund and credited to the appropriation account under s.
17 20.566 (1) (hp), and, of the net amount remaining that is certified under par. (h) 3.,
18 an amount equal to 50 percent shall be credited to the appropriation account under
19 s. 20.250 (2) (g) and an amount equal to 50 percent shall be credited to the
20 appropriation account under s. 20.285 (1) (gm) (k) for breast cancer research
21 conducted by the University of Wisconsin Carbone Cancer Center.

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22 **SECTION 1889b.** 71.10 (5h) (i) of the statutes is amended to read:

23 71.10 (5h) (i) *Appropriations, disbursement of funds to the fund.* From the
24 moneys received from designations for the prostate cancer research program, an
25 amount equal to the sum of administrative expenses, including data processing

1 costs, certified under par. (h) 1. shall be deposited in the general fund and credited
 2 to the appropriation account under s. 20.566 (1) (hp), and, of the net amount
 3 remaining that is certified under par. (h) 3., an amount equal to 50 percent shall be
 4 credited to the appropriation ~~accounts~~ account under ~~ss. s. 20.250 (2) (h) and 20.285~~
 5 ~~(1) (gm)~~ an amount equal to 50 percent shall be credited to the appropriation account
 6 under s. 20.285 (1) (k) for the use specified under s. 255.054 (1).

7 **SECTION 1889e.** 71.10 (5k) of the statutes is created to read:

8 71.10 (5k) AMERICAN RED CROSS, BADGER CHAPTER CHECKOFF. (a) *Definitions.*

9 In this subsection:

- 10 1. "Badger Chapter" means the Badger Chapter of the American Red Cross.
- 11 2. "Department" means the department of revenue.

12 (b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an
 13 income tax return who has a tax liability or is entitled to a tax refund may designate
 14 on the return any amount of additional payment or any amount of a refund due that
 15 individual for the Badger Chapter.

16 2. 'Designation added to tax owed.' If the individual owes any tax, the
 17 individual shall remit in full the tax due and the amount designated on the return
 18 for the Badger Chapter when the individual files a tax return.

19 3. 'Designation deducted from refund.' Except as provided in par. (d), if the
 20 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80
 21 (3) and (3m), the department shall deduct the amount designated on the return for
 22 the Badger Chapter from the amount of the refund.

23 (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails
 24 to remit an amount equal to or in excess of the total of the actual tax due, after error
 25 corrections, and the amount designated on the return for the Badger Chapter:

1 1. The department shall reduce the designation for the Badger Chapter to
2 reflect the amount remitted in excess of the actual tax due, after error corrections,
3 if the individual remitted an amount in excess of the actual tax due, after error
4 corrections, but less than the total of the actual tax due, after error corrections, and
5 the amount originally designated on the return for the Badger Chapter.

6 2. The designation for the Badger Chapter is void if the individual remitted an
7 amount equal to or less than the actual tax due, after error corrections.

8 (d) *Errors; insufficient refund.* If an individual is owed a refund that does not
9 equal or exceed the amount designated on the return for the Badger Chapter, after
10 crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error corrections, the
11 department shall reduce the designation for the Badger Chapter to reflect the actual
12 amount of the refund that the individual is otherwise owed, after crediting under ss.
13 71.75 (9) and 71.80 (3) and (3m) and after error corrections.

14 (e) *Conditions.* If an individual places any conditions on a designation for the
15 Badger Chapter, the designation is void.

16 (f) *Void designation.* If a designation for the Badger Chapter is void, the
17 department shall disregard the designation and determine amounts due, owed,
18 refunded, and received without regard to the void designation.

19 (g) *Tax return.* The secretary of revenue shall provide a place for the
20 designations under this subsection on the individual income tax return.

21 (h) *Certification of amounts.* Annually, on or before September 15, the
22 secretary of revenue shall certify to the department of health services, the
23 department of administration, and the state treasurer all of the following:

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

4 2. The total amount received from all designations for the Badger Chapter
5 made by taxpayers during the previous fiscal year.

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

8 2.

9 (i) *Appropriations.* From the moneys received from designations for the Badger
10 Chapter, an amount equal to the sum of administrative expenses, including data
11 processing costs, certified under par. (h) 1. shall be deposited in the general fund and
12 credited to the appropriation account under s. 20.566 (1) (hp), and the net amount
13 remaining that is certified under par. (h) 3. shall be credited to the appropriation
14 under s. 20.435 (1) (gd).

15 (j) *Amounts subject to refund.* Amounts designated for the Badger Chapter
16 under this subsection are not subject to refund to the taxpayer unless the taxpayer
17 submits information to the satisfaction of the department, within 18 months after
18 the date on which the taxes are due or the date on which the return is filed, whichever
19 is later, that the amount designated is clearly in error. Any refund granted by the
20 department under this paragraph shall be deducted from the moneys received under
21 this subsection in the fiscal year for which the refund is certified.

22 **SECTION 1889n.** 71.21 (4) of the statutes is amended to read:

23 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
24 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s),

1 (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), and (8r) and passed
2 through to partners shall be added to the partnership's income.

3 **SECTION 1889p.** 71.22 (4) (u) of the statutes is amended to read:

4 71.22 (4) (u) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
5 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after
6 December 31, 2007, and before January 1, 2009, means the federal Internal Revenue
7 Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L.
8 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
9 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,
10 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
11 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and
12 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403
13 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
14 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
15 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301
16 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
17 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of
18 P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.
19 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, and P.L. 110-172, and as
20 amended by P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245, ~~and~~
21 section 15316 of P.L. 110-246, section 301 of division B and section 313 of division
22 C of P.L. 110-343, P.L. 110-458, section 1541 of division B of P.L. 111-5, and P.L.
23 111-192, and as indirectly affected in the provisions applicable to this subchapter by
24 P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2),
25 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.

1 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
2 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
3 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
4 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.
5 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
6 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
7 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
8 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
9 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,
10 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.
11 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.
12 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.
13 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403
14 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,
15 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.
16 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
17 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
18 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
19 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
20 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
21 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding
22 sections 811 and 844 of P.L. 109-280, P.L. 110-245, excluding sections 110, 113, and
23 301 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and
24 section 313 of division C of P.L. 110-343, P.L. 110-458, section 1541 of division B of
25 P.L. 111-5, and P.L. 111-192. The Internal Revenue Code applies for Wisconsin

1 purposes at the same time as for federal purposes. Amendments to the federal
2 Internal Revenue Code enacted after December 31, 2007, do not apply to this
3 paragraph with respect to taxable years beginning after December 31, 2007, and
4 before January 1, 2009, except that changes to the Internal Revenue Code made by
5 P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245, and section 15316
6 of P.L. 110-246, section 301 of division B and section 313 of division C of P.L. 110-343,
7 P.L. 110-458, section 1541 of division B of P.L. 111-5, and P.L. 111-192, and changes
8 that indirectly affect the provisions applicable to this subchapter made by P.L.
9 110-245, excluding sections 110, 113, and 301 of P.L. 110-245, section 15316 of P.L.
10 110-246, section 301 of division B and section 313 of division C of P.L. 110-343, P.L.
11 110-458, section 1541 of division B of P.L. 111-5, and P.L. 111-192, apply for
12 Wisconsin purposes at the same time as for federal purposes.

13 **SECTION 1890.** 71.22 (4) (um) of the statutes is amended to read:

14 71.22 (4) (um) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
15 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after
16 December 31, 2008, and before January 1, 2011, means the federal Internal Revenue
17 Code as amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L.
18 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
19 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,
20 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
21 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and
22 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403
23 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and
24 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
25 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section

1 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
2 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, and 513
3 of P.L. 109-222, ~~section 844 of P.L. 109-280~~, P.L. 109-432, P.L. 110-28, P.L. 110-140,
4 P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L. 110-234,
5 sections 110, 113, and 301 of P.L. 110-245, P.L. 110-246, except section 15316 of P.L.
6 110-246, P.L. 110-289, except section 3093 of P.L. 110-289, P.L. 110-317, and P.L.
7 110-343, except section 301 of division B and section 313 of division C of P.L. 110-343,
8 and P.L. 110-351, as amended by sections 1261, 1262, 1401, 1402, 1521, 1522, 1531,
9 and 1541 of division B of P.L. 111-5, section 301 of P.L. 111-147, P.L. 111-192, section
10 1601 of P.L. 111-203, section 215 of P.L. 111-226, section 2112 of P.L. 111-240, and
11 P.L. 111-325, and as indirectly affected in the provisions applicable to this
12 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2)
13 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008
14 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.
15 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
16 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
17 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
18 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
19 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
20 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
21 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
22 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.
23 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.
24 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
25 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.

1 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,
2 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211,
3 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476,
4 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
5 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146
6 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
7 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
8 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections
9 101, 207, 209, 503, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding
10 section 844 of P.L. 109-280, P.L. 110-245, excluding sections 110, 113, and 301 of P.L.
11 110-245, and section 15316 of P.L. 110-246, section 3093 of P.L. 110-289, section 301
12 of division B and section 313 of division C of P.L. 110-343, P.L. 110-351, P.L. 110-458,
13 sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of division B of P.L.
14 111-5, section 301 of P.L. 111-147, P.L. 111-192, section 1601 of P.L. 111-203, section
15 215 of P.L. 111-226, section 2112 of P.L. 111-240, and P.L. 111-325. The Internal
16 Revenue Code applies for Wisconsin purposes at the same time as for federal
17 purposes. Amendments to the federal Internal Revenue Code enacted after
18 December 31, 2008, do not apply to this paragraph with respect to taxable years
19 beginning after December 31, 2008, and before January 1, 2011, except that changes
20 to the Internal Revenue Code made by sections 1261, 1262, 1401, 1402, 1521, 1522,
21 1531, and 1541 of division B of P.L. 111-5, section 301 of P.L. 111-147, P.L. 111-192,
22 section 1601 of P.L. 111-203, section 215 of P.L. 111-226, section 2112 of P.L. 111-240,
23 and P.L. 111-325, and changes that indirectly affect the provisions applicable to this
24 subchapter made by sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of
25 division B of P.L. 111-5, section 301 of P.L. 111-147, P.L. 111-192, section 1601 of P.L.

1 111-203, section 215 of P.L. 111-226, section 2112 of P.L. 111-240, and P.L. 111-325,
2 apply for Wisconsin purposes at the same time as for federal purposes.

3 **SECTION 1890d.** 71.22 (4) (un) of the statutes is created to read:

4 71.22 (4) (un) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
5 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after
6 December 31, 2010, means the federal Internal Revenue Code as amended to
7 December 31, 2010, excluding sections 103, 104, and 110 of P.L. 102-227, sections
8 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
9 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.
10 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.
11 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.
12 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.
13 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
14 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
15 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.
16 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
17 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 503, and 513 of P.L. 109-222,
18 P.L. 109-432, except sections 117, 406, 409, 410, 412, 417, 418, 424, and 425 of
19 division A and section 403 of division C of P.L. 109-432, P.L. 110-28, except sections
20 8215, 8231, 8232, 8234, and 8236 of P.L. 110-28, P.L. 110-140, sections 2, 3, and 5
21 of P.L. 110-142, P.L. 110-166, sections 3 (b) and 11 (b), (e), and (g) of P.L. 110-172,
22 P.L. 110-185, P.L. 110-234, section 301 of P.L. 110-245, P.L. 110-246, except sections
23 4, 15312, 15313, 15314, 15316, and 15342 of P.L. 110-246, sections 3071, 3081, and
24 3082 of P.L. 110-289, section 9 (e) of P.L. 110-317, P.L. 110-343, except sections 116,
25 208, 211, and 301 of division B and sections 313 and 504 of division C of P.L. 110-343,

1 P.L. 111-5, except sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of
2 division B of P.L. 111-5, section 201 of P.L. 111-147, P.L. 111-148, except sections
3 1322, 1515, 9003, 9021, 9022, 10108, 10908, and 10909 of P.L. 111-148, P.L. 111-152,
4 except section 1407 of P.L. 111-152, P.L. 111-203, except section 1601 of P.L. 111-203,
5 P.L. 111-226, except sections 215 and 217 of P.L. 111-226, P.L. 111-240, except
6 sections 2014, 2043, 2111, 2112, and 2113 of P.L. 111-240, and P.L. 111-312, and as
7 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
8 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821
9 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
10 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
11 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
12 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
13 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
14 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
15 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
16 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections
17 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
18 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections
19 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.
20 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
21 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
22 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
23 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
24 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.
25 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,

1 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
2 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
3 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
4 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
5 503, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, sections 117, 406, 409, 410,
6 412, 417, 418, 424, and 425 of division A and section 403 of division C of P.L. 109-432,
7 sections 8215, 8231, 8232, 8234, and 8236 of P.L. 110-28, P.L. 110-141, P.L. 110-142,
8 excluding sections 2, 3, and 5 of P.L. 110-142, P.L. 110-172, excluding sections 3 (b)
9 and 11 (b), (e), and (g) of P.L. 110-172, P.L. 110-245, excluding section 301 of P.L.
10 110-245, sections 4, 15312, 15313, 15314, 15316, and 15342 of P.L. 110-246, P.L.
11 110-289, excluding sections 3071, 3081, and 3082 of P.L. 110-289, P.L. 110-317,
12 excluding section 9 (e) of P.L. 110-317, sections 116, 208, 211, and 301 of division B
13 and sections 313 and 504 of division C of P.L. 110-343, P.L. 110-351, P.L. 110-458,
14 sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of division B of P.L.
15 111-5, P.L. 111-92, P.L. 111-147, excluding section 201 of P.L. 111-147, sections
16 1322, 1515, 9003, 9021, 9022, 10108, 10908, and 10909 of P.L. 111-148, section 1407
17 of P.L. 111-152, P.L. 111-192, section 1601 of P.L. 111-203, sections 215 and 217 of
18 P.L. 111-226, sections 2014, 2043, 2111, 2112, and 2113 of P.L. 111-240, and P.L.
19 111-325. The Internal Revenue Code applies for Wisconsin purposes at the same
20 time as for federal purposes, except that changes made by section 209 of P.L.
21 109-222, sections 117, 406, 409, 410, 412, 417, 418, 424, and 425 of division A and
22 section 403 of division C of P.L. 109-432, sections 8215, 8231, 8232, 8234, and 8236
23 of P.L. 110-28, P.L. 110-141, P.L. 110-142, excluding sections 2, 3, and 5 of P.L.
24 110-142, P.L. 110-172, excluding sections 3 (b) and 11 (b), (e), and (g) of P.L. 110-172,
25 sections 110 and 113 of P.L. 110-245, sections 15312, 15313, 15314, and 15342 of P.L.

1 110-246, sections 3031, 3032, 3033, 3041, 3051, 3052, 3061, and 3092 of P.L.
2 110-289, P.L. 110-317, excluding section 9 (e) of P.L. 110-317, sections 116, 208, and
3 211 of division B and section 504 of division C of P.L. 110-343, section 14 of P.L.
4 111-92, sections 531, 532, and 533 of P.L. 111-147, sections 10908 and 10909 of P.L.
5 111-148, and section 2043 of P.L. 111-240 do not apply for taxable years beginning
6 before January 1, 2011. Amendments to the federal Internal Revenue Code enacted
7 after December 31, 2010, do not apply to this paragraph with respect to taxable years
8 beginning after December 31, 2010.

9 **SECTION 1890n.** 71.22 (4m) (s) of the statutes is amended to read:

10 71.22 (4m) (s) For taxable years that begin after December 31, 2007, and
11 before January 1, 2009, "Internal Revenue Code," for corporations that are subject
12 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
13 Internal Revenue Code as amended to December 31, 2007, excluding sections 103,
14 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
15 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
16 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
17 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,
18 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,
19 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337,
20 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310,
21 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of
22 P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to
23 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101,
24 207, 209, 503, 512, and 513 of P.L. 109-222, sections 811 and 844 of P.L. 109-280, P.L.
25 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, and

1 P.L. 110-172, and as amended by P.L. 110-245, excluding sections 110, 113, and 301
2 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and
3 section 313 of division C of P.L. 110-343, P.L. 110-458, section 1541 of division B of
4 P.L. 111-5, and P.L. 111-192, and as indirectly affected in the provisions applicable
5 to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
6 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
7 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
8 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
9 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
10 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
11 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
12 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of
13 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.
14 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a)
15 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
16 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
17 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
18 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
19 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
20 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
21 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
22 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
23 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
24 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
25 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.

1 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
2 109-280, P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245, and
3 section 15316 of P.L. 110-246, section 301 of division B and section 313 of division
4 C of P.L. 110-343, P.L. 110-458, section 1541 of division B of P.L. 111-5, and P.L.
5 111-192. The Internal Revenue Code applies for Wisconsin purposes at the same
6 time as for federal purposes. Amendments to the Internal Revenue Code enacted
7 after December 31, 2007, do not apply to this paragraph with respect to taxable years
8 beginning after December 31, 2007, and before January 1, 2009, except that changes
9 to the Internal Revenue Code made by P.L. 110-245, excluding sections 110, 113, and
10 301 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and
11 section 313 of division C of P.L. 110-343, P.L. 110-458, section 1541 of division B of
12 P.L. 111-5, and P.L. 111-192, and changes that indirectly affect the provisions
13 applicable to this subchapter made by P.L. 110-245, excluding sections 110, 113, and
14 301 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and
15 section 313 of division C of P.L. 110-343, P.L. 110-458, section 1541 of division B of
16 P.L. 111-5, and P.L. 111-192, apply for Wisconsin purposes at the same time as for
17 federal purposes.

18 **SECTION 1891.** 71.22 (4m) (sm) of the statutes is amended to read:

19 71.22 (4m) (sm) For taxable years that begin after December 31, 2008, and
20 before January 1, 2011, "Internal Revenue Code," for corporations that are subject
21 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
22 Internal Revenue Code as amended to December 31, 2008, excluding sections 103,
23 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
24 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
25 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,

1 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,
2 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,
3 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336,
4 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309,
5 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section
6 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates
7 to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101,
8 207, 209, 503, and 513 of P.L. 109-222, ~~section 844 of P.L. 109-280~~, P.L. 109-432, P.L.
9 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L.
10 110-185, P.L. 110-234, sections 110, 113, and 301 of P.L. 110-245, P.L. 110-246,
11 except section 15316 of P.L. 110-246, P.L. 110-289, except section 3093 of P.L.
12 110-289, P.L. 110-317, and P.L. 110-343, except section 301 of division B and section
13 313 of division C of P.L. 110-343, and P.L. 110-351, as amended by sections 1261,
14 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of division B of P.L. 111-5, section 301
15 of P.L. 111-147, P.L. 111-192, section 1601 of P.L. 111-203, section 215 of P.L.
16 111-226, section 2112 of P.L. 111-240, and P.L. 111-325, and as indirectly affected
17 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.
18 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
19 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
20 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
21 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.
22 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
23 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
24 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
25 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding

1 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,
2 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.
3 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.
4 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.
5 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403
6 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336,
7 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7,
8 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
9 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
10 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
11 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
12 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
13 209, 503, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, ~~excluding section~~
14 ~~844 of P.L. 109-280~~, P.L. 110-245, excluding sections 110, 113, and 301 of P.L.
15 110-245, and section 15316 of P.L. 110-246, section 3093 of P.L. 110-289, section 301
16 of division B and section 313 of division C of P.L. 110-343, P.L. 110-351, P.L. 110-458,
17 sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of division B of P.L.
18 111-5, section 301 of P.L. 111-147, P.L. 111-192, section 1601 of P.L. 111-203, section
19 215 of P.L. 111-226, section 2112 of P.L. 111-240, and P.L. 111-325. The Internal
20 Revenue Code applies for Wisconsin purposes at the same time as for federal
21 purposes. Amendments to the Internal Revenue Code enacted after December 31,
22 2008, do not apply to this paragraph with respect to taxable years beginning after
23 December 31, 2008, and before January 1, 2011, except that changes to the Internal
24 Revenue Code made by sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541
25 of division B of P.L. 111-5, section 301 of P.L. 111-147, P.L. 111-192, section 1601 of

1 P.L. 111-203, section 215 of P.L. 111-226, section 2112 of P.L. 111-240, and P.L.
2 111-325, and changes that indirectly affect the provisions applicable to this
3 subchapter made by sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of
4 division B of P.L. 111-5, section 301 of P.L. 111-147, P.L. 111-192, section 1601 of P.L.
5 111-203, section 215 of P.L. 111-226, section 2112 of P.L. 111-240, and P.L. 111-325,
6 apply for Wisconsin purposes at the same time as for federal purposes.

7 **SECTION 1891d.** 71.22 (4m) (sn) of the statutes is created to read:

8 71.22 (4m) (sn) For taxable years that begin after December 31, 2010,
9 “Internal Revenue Code,” for corporations that are subject to a tax on unrelated
10 business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as
11 amended to December 31, 2010, excluding sections 103, 104, and 110 of P.L. 102-227,
12 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections
13 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and
14 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of
15 P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of
16 P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of
17 P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
18 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
19 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301
20 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
21 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 503, and 513 of P.L.
22 109-222, P.L. 109-432, except sections 117, 406, 409, 410, 412, 417, 418, 424, and 425
23 of division A and section 403 of division C of P.L. 109-432, P.L. 110-28, except
24 sections 8215, 8231, 8232, 8234, and 8236 of P.L. 110-28, P.L. 110-140, sections 2,
25 3, and 5 of P.L. 110-142, P.L. 110-166, sections 3 (b) and 11 (b), (e), and (g) of P.L.

1 110-172, P.L. 110-185, P.L. 110-234, section 301 of P.L. 110-245, P.L. 110-246,
2 except sections 4, 15312, 15313, 15314, 15316, and 15342 of P.L. 110-246, sections
3 3071, 3081, and 3082 of P.L. 110-289, section 9 (e) of P.L. 110-317, P.L. 110-343,
4 except sections 116, 208, 211, and 301 of division B and sections 313 and 504 of
5 division C of P.L. 110-343, P.L. 111-5, except sections 1261, 1262, 1401, 1402, 1521,
6 1522, 1531, and 1541 of division B of P.L. 111-5, section 201 of P.L. 111-147, P.L.
7 111-148, except sections 1322, 1515, 9003, 9021, 9022, 10108, 10908, and 10909 of
8 P.L. 111-148, P.L. 111-152, except section 1407 of P.L. 111-152, P.L. 111-203, except
9 section 1601 of P.L. 111-203, P.L. 111-226, except sections 215 and 217 of P.L.
10 111-226, P.L. 111-240, except sections 2014, 2043, 2111, 2112, and 2113 of P.L.
11 111-240, and P.L. 111-312, and as indirectly affected in the provisions applicable to
12 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
13 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
14 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
15 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
16 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
17 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
18 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
19 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of
20 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.
21 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a)
22 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
23 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
24 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
25 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,

1 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of
2 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
3 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
4 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
5 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
6 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
7 109-151, P.L. 109-222, excluding sections 101, 207, 503, and 513 of P.L. 109-222,
8 P.L. 109-227, P.L. 109-280, sections 117, 406, 409, 410, 412, 417, 418, 424, and 425
9 of division A and section 403 of division C of P.L. 109-432, sections 8215, 8231, 8232,
10 8234, and 8236 of P.L. 110-28, P.L. 110-141, P.L. 110-142, excluding sections 2, 3,
11 and 5 of P.L. 110-142, P.L. 110-172, excluding sections 3 (b) and 11 (b), (e), and (g)
12 of P.L. 110-172, P.L. 110-245, excluding section 301 of P.L. 110-245, sections 4,
13 15312, 15313, 15314, 15316, and 15342 of P.L. 110-246, P.L. 110-289, excluding
14 sections 3071, 3081, and 3082 of P.L. 110-289, P.L. 110-317, excluding section 9 (e)
15 of P.L. 110-317, sections 116, 208, 211, and 301 of division B and sections 313 and 504
16 of division C of P.L. 110-343, P.L. 110-351, P.L. 110-458, sections 1261, 1262, 1401,
17 1402, 1521, 1522, 1531, and 1541 of division B of P.L. 111-5, P.L. 111-92, P.L.
18 111-147, excluding section 201 of P.L. 111-147, sections 1322, 1515, 9003, 9021,
19 9022, 10108, 10908, and 10909 of P.L. 111-148, section 1407 of P.L. 111-152, P.L.
20 111-192, section 1601 of P.L. 111-203, sections 215 and 217 of P.L. 111-226, sections
21 2014, 2043, 2111, 2112, and 2113 of P.L. 111-240, and P.L. 111-325. The Internal
22 Revenue Code applies for Wisconsin purposes at the same time as for federal
23 purposes, except that changes made by section 209 of P.L. 109-222, sections 117, 406,
24 409, 410, 412, 417, 418, 424, and 425 of division A and section 403 of division C of P.L.
25 109-432, sections 8215, 8231, 8232, 8234, and 8236 of P.L. 110-28, P.L. 110-141, P.L.

1 110-142, excluding sections 2, 3, and 5 of P.L. 110-142, P.L. 110-172, excluding
2 sections 3 (b) and 11 (b), (e), and (g) of P.L. 110-172, sections 110 and 113 of P.L.
3 110-245, sections 15312, 15313, 15314, and 15342 of P.L. 110-246, sections 3031,
4 3032, 3033, 3041, 3051, 3052, 3061, and 3092 of P.L. 110-289, P.L. 110-317,
5 excluding section 9 (e) of P.L. 110-317, sections 116, 208, and 211 of division B and
6 section 504 of division C of P.L. 110-343, section 14 of P.L. 111-92, sections 531, 532,
7 and 533 of P.L. 111-147, sections 10908 and 10909 of P.L. 111-148, and section 2043
8 of P.L. 111-240 do not apply for taxable years beginning before January 1, 2011.
9 Amendments to the Internal Revenue Code enacted after December 31, 2010, do not
10 apply to this paragraph with respect to taxable years beginning after
11 December 31, 2010.

12 **SECTION 1892.** 71.255 (2m) (d) of the statutes is amended to read:

13 71.255 (2m) (d) The department ~~shall~~ may not disregard the tax effect of an
14 election under this subsection, or disallow the election, with respect to any controlled
15 group member or members for any year of the election period, ~~if the department~~
16 ~~determines that the election has the effect of tax avoidance.~~

17 **SECTION 1893.** 71.255 (6) (a) of the statutes is amended to read:

18 71.255 (6) (a) Except as provided in pars. (b), (bm), and (c) no tax credit,
19 Wisconsin net business loss carry-forward, or other post-apportionment deduction
20 earned by one member of the combined group, but not fully used by or allowed to that
21 member, may be used in whole or in part by another member of the combined group
22 or applied in whole or in part against the total income of the combined group. A
23 member of a combined group may use a carry-forward of a credit, Wisconsin net
24 business loss carry-forward, or other post-apportionment deduction otherwise

1 allowable under s. 71.26 or 71.45, that was incurred by that same member in a
2 taxable year beginning before January 1, 2009.

3 **SECTION 1894d.** 71.255 (6) (bm) of the statutes is created to read:

4 71.255 (6) (bm) 1. In this paragraph, “pre-2009 net business loss
5 carry-forward” means a corporation’s total net Wisconsin business loss
6 carry-forward computed under s. 71.26 (4) or 71.45 (4) as of the beginning of its first
7 taxable year that begins after December 31, 2008, but not used by the corporation
8 in any taxable year beginning before January 1, 2012.

9 2. Starting with the first taxable year beginning after December 31, 2011, and
10 for each of the 19 subsequent taxable years, and subject to the limitations provided
11 under s. 71.26 (3) (n), for each taxable year that a corporation that is a member of a
12 combined group has pre-2009 net business loss carry-forward, the corporation may,
13 after using the pre-2009 net business loss carry-forward to offset its own income for
14 the taxable year, and after using shareable losses to offset its own income for the
15 taxable year, as provided under par. (b) 1., use up to 5 percent of the remaining
16 pre-2009 net business loss carry-forward, until used or expired, to offset the
17 Wisconsin income of all other members of the combined group on a proportionate
18 basis, to the extent such income is attributable to the unitary business. If the full
19 5 percent of such pre-2009 net business loss carry-forward cannot be fully used to
20 offset the Wisconsin income of all other members of the combined group, the
21 remainder may be added to the portion that may offset the Wisconsin income of all
22 other members of the combined group in a subsequent year, until it is completely
23 used or expired, except that unused pre-2009 net business loss carry-forwards may
24 not be used in any taxable year that begins after December 31, 2031.

1 3. Unless otherwise provided by the department by rule, if the corporation may
2 no longer be included in the combined group, as determined under this section, the
3 corporation's pre-2009 net business loss carry-forward shall be available only to
4 that corporation.

5 4. The department shall promulgate rules to administer this paragraph.

6 **SECTION 1894r.** 71.26 (1) (b) of the statutes is amended to read:

7 71.26 (1) (b) *Political units.* Income received by the United States, the state
8 and all counties, cities, villages, towns, school districts, technical college districts,
9 joint local water authorities created under s. 66.0823, ~~transit authorities created~~
10 ~~under s. 59.58 (7) or 66.1039~~, long-term care districts under s. 46.2895 or other
11 political units of this state.

12 **SECTION 1895r.** 71.26 (1m) (j) of the statutes is repealed.

13 **SECTION 1896d.** 71.26 (1m) (m) of the statutes is created to read:

14 71.26 (1m) (m) Those issued by the Wisconsin Housing and Economic
15 Development Authority to provide loans to a public affairs network under s. 234.75
16 (4).

17 **SECTION 1896f.** 71.26 (2) (a) 4. of the statutes, as affected by 2011 Wisconsin
18 Act 3, is amended to read:

19 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
20 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),
21 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), (8r), and
22 (9s) and not passed through by a partnership, limited liability company, or
23 tax-option corporation that has added that amount to the partnership's, limited
24 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)
25 (g).