



2013 ASSEMBLY BILL 844

March 6, 2014 - Introduced by Representatives MASON, BARNES, BERCEAU, HESSELBEIN, OHNSTAD, PASCH, POPE, SARGENT, SHANKLAND, C. TAYLOR, WRIGHT, YOUNG, ZAMARRIPA and WACHS, cosponsored by Senators RISSER, HANSEN, LEHMAN, MILLER and WIRCH. Referred to Committee on Financial Institutions.

1 **AN ACT to create** 71.255 (2) (d) 6. of the statutes; **relating to:** the combined
2 reporting of income from businesses incorporated in foreign jurisdictions
3 considered tax havens and granting rule-making authority.

Analysis by the Legislative Reference Bureau

Under this bill, for income and franchise tax purposes, the combined report of a unitary business of which a foreign operating corporation is a member must include the income or loss of any corporation that is a member of the unitary business incorporated in a foreign jurisdiction that is considered a tax haven.

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

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

4 **SECTION 1.** 71.255 (2) (d) 6. of the statutes is created to read:
5 71.255 (2) (d) 6. For taxable years beginning after December 31, 2013, the
6 income or loss of any corporation that is a member of the unitary business that is
7 incorporated in any of the following jurisdictions, not including any income from

ASSEMBLY BILL 844**SECTION 1**

1 sources outside the United States under sections 861 to 865 of the Internal Revenue
2 Code: Andorra, Anguilla, Antigua and Barbuda, Aruba, the Bahamas, Bahrain,
3 Barbados, Belize, Bermuda, the British Virgin Islands, the Cayman Islands, the
4 Cook Islands, Costa Rica, Cyprus, Dominica, Gibraltar, Grenada,
5 Guernsey–Sark–Alderney, Hong Kong, Ireland, the Isle of Man, Jersey, Jordan,
6 Lebanon, Liberia, Liechtenstein, Luxembourg, Macau, Malta, the Marshall Islands,
7 Mauritius, Monaco, Montserrat, Nauru, the Netherlands Antilles, Niue, Panama,
8 Samoa, San Marino, Seychelles, Singapore, St. Kitts and Nevis, St. Lucia, St.
9 Vincent and the Grenadines, Switzerland, Tonga, the Turks and Caicos Islands, the
10 U.S. Virgin Islands, and Vanuatu. The department shall promulgate rules to
11 determine the computation of income or loss under this subdivision for a corporation
12 that is a member of a unitary business that is not required to file a federal
13 consolidated return and to prevent double taxation or double deduction of any
14 amount included in the computation of income under this subdivision.

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(END)