

1 \$125,000 in the year to which the claim relates, the greater of \$50 or an amount equal
2 to 10 percent of the married couple's net tax liability.

3 4. If the claimant is married and filing jointly and the sum of the claimant's
4 adjusted gross income and his or her spouse's adjusted gross income is at least
5 \$125,000 but less than \$150,000 in the year to which the claim relates, an amount
6 that is calculated as follows:

7 a. Calculate the value of a fraction, the denominator of which is \$25,000 and
8 the numerator of which is the difference between the married couple's adjusted gross
9 income and \$125,000.

10 b. Subtract from 1.0 the amount that is calculated under subd. 4. a.

11 c. Multiply the amount that is calculated under subd. 4. b. by 10 percent.

12 d. Multiply the amount of the married couple's net income tax liability by the
13 amount that is calculated under subd. 4. c.

14 5. If the claimant is married and filing separately and his or her adjusted gross
15 income is less than \$62,500 in the year to which the claim relates, the greater of \$25
16 or an amount equal to 10 percent of his or her net tax liability.

17 6. If the claimant is married and filing separately and his or her adjusted gross
18 income is at least \$62,500 but less than \$75,000 in the year to which the claim relates,
19 an amount that is calculated as follows:

20 a. Calculate the value of a fraction, the denominator of which is \$12,500 and
21 the numerator of which is the difference between the claimant's adjusted gross
22 income and \$75,000.

23 b. Subtract from 1.0 the amount that is calculated under subd. 6. a.

24 c. Multiply the amount that is calculated under subd. 6. b. by 10 percent.

1 d. Multiply the amount of the claimant's net income tax liability by the amount
2 that is calculated under subd. 6. c.

3 (c) *Limitations.* 1. No credit may be allowed under this subsection unless it
4 is claimed within the period under s. 71.75 (2).

5 2. Part-year residents and nonresidents of this state are not eligible for the
6 credit under this subsection.

7 3. Except as provided in subd. 4., only one credit per household is allowed each
8 year.

9 4. If a married couple files separately, each spouse may claim the credit
10 calculated under par. (b) 5. or 6., except a married person living apart from the other
11 spouse and treated as single under section 7703 (b) of the Internal Revenue Code may
12 claim the credit under par. (b) 1. or 2.

13 5. The credit under this subsection may not be claimed by a person who may
14 be claimed as a dependent on the individual income tax return of another taxpayer.

15 (d) *Administration.* The department of revenue may enforce the credit under
16 this subsection and may take any action, conduct any proceeding, and proceed as it
17 is authorized in respect to taxes under this chapter. The income tax provisions in this
18 chapter relating to assessments, refunds, appeals, collection, interest, and penalties
19 apply to the credit under this subsection.

20 **SECTION 875.** 71.07 (5n) (d) 2. of the statutes is amended to read:

21 71.07 (5n) (d) 2. ~~For~~ Except as provided in subd. 2m., for purposes of
22 determining a claimant's eligible qualified production activities income under this
23 subsection, the claimant shall multiply the claimant's qualified production activities
24 income from property manufactured by the claimant by the manufacturing property

1 factor and qualified production activities income from property produced, grown, or
2 extracted by the claimant by the agriculture property factor.

3 **SECTION 876.** 71.07 (5n) (d) 2m. of the statutes is created to read:

4 71.07 (5n) (d) 2m. For taxable years beginning after December 31, 2018, for
5 purposes of determining a claimant's eligible qualified production activities income
6 from manufacturing under this subsection, the claimant, including a beneficiary or
7 fiduciary, shall multiply the claimant's qualified production activities income, not
8 exceeding \$300,000, from property manufactured by the claimant by the
9 manufacturing property factor.

10 **SECTION 877.** 71.07 (8m) of the statutes is created to read:

11 71.07 (8m) ADDITIONAL HOUSEHOLD AND DEPENDENT CARE EXPENSES TAX CREDIT.

12 (a) *Definitions.* In this subsection:

13 1. "Claimant" means an individual who is eligible for and claims the household
14 and dependent care expenses tax credit for the taxable year to which the claim under
15 this subsection relates.

16 2. "Household and dependent care expenses tax credit" means the tax credit
17 under section 21 of the Internal Revenue Code.

18 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
19 claimant may claim as a credit against the tax imposed under s. 71.02, up to the
20 amount of those taxes, an amount equal to 50 percent of the amount of the household
21 and dependent care expenses tax credit that the claimant claimed on his or her
22 federal income tax return for the taxable year to which the claim under this
23 subsection relates.

24 (c) *Limitations.* 1. No credit may be allowed under this subsection unless it
25 is claimed within the time period under s. 71.75 (2).

1 2. No credit may be allowed under this subsection for a taxable year covering
2 a period of less than 12 months, except for a taxable year closed by reason of the death
3 of the taxpayer.

4 3. The credit under this subsection may not be claimed by either a part-year
5 resident or a nonresident of this state.

6 4. The credit under this subsection may be claimed for taxable years beginning
7 after December 31, 2019.

8 5. A claimant who claims the credit under this subsection is subject to the
9 special rules in 26 USC 21 (e) (2) and (4).

10 (d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit
11 under that subsection, applies to the credit under this subsection.

12 **SECTION 878.** 71.07 (9e) (aj) (intro.) of the statutes is amended to read:

13 71.07 (9e) (aj) (intro.) For taxable years beginning after December 31, 2010,
14 and before January 1, 2019, an individual may credit against the tax imposed under
15 s. 71.02 an amount equal to one of the following percentages of the federal basic
16 earned income credit for which the person is eligible for the taxable year under
17 section 32 (b) (1) (A) to (C) of the Internal Revenue Code:

18 **SECTION 879.** 71.07 (9e) (ak) of the statutes is created to read:

19 71.07 (9e) (ak) For taxable years beginning after December 31, 2018, an
20 individual may credit against the tax imposed under s. 71.02 an amount equal to one
21 of the following percentages of the federal basic earned income credit for which the
22 individual is eligible for the taxable year under section 32 (b) (1) of the Internal
23 Revenue Code:

24 1. If the individual has one qualifying child who has the same principal place
25 of abode as the individual, 11 percent.

1 2. If the individual has 2 qualifying children who have the same principal place
2 of abode as the individual, 14 percent.

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

5 **SECTION 880.** 71.07 (9m) (a) 3. of the statutes is amended to read:

6 71.07 (9m) (a) 3. For taxable years beginning after December 31, 2013, and
7 before January 1, 2019, any person may claim as a credit against taxes otherwise due
8 under s. 71.02, up to the amount of those taxes, an amount equal to 20 percent of the
9 costs of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the
10 Internal Revenue Code, for qualified rehabilitated buildings, as defined in section 47
11 (c) (1) of the Internal Revenue Code, on property located in this state, if the cost of
12 the person's qualified rehabilitation expenditures is at least \$50,000 and the
13 rehabilitated property is placed in service after December 31, 2013, and regardless
14 of whether the rehabilitated property is used for multiple or revenue-producing
15 purposes. No credit may be claimed under this subdivision for property listed as a
16 contributing building in the state register of historic places or in the national register
17 of historic places and no credit may be claimed under this subdivision for nonhistoric,
18 nonresidential property converted into housing if the property has been previously
19 used for housing.

20 **SECTION 881.** 71.07 (9m) (cn) (intro.) of the statutes is amended to read:

21 71.07 (9m) (cn) (intro.) For taxable years beginning after December 31, 2014,
22 and before January 1, 2019, the Wisconsin Economic Development Corporation shall
23 certify a person to claim a credit under par. (a) 3. if all of the following apply:

24 **SECTION 882.** 71.07 (9m) (e) of the statutes is renumbered 71.07 (9m) (e) 1.

25 **SECTION 883.** 71.07 (9m) (e) 2. of the statutes is created to read:

1 71.07 (9m) (e) 2. No credit may be claimed under par. (a) 3. for taxable years
2 beginning after December 31, 2018. Credits under par. (a) 3. for taxable years that
3 begin before January 1, 2019, may be carried forward to taxable years that begin
4 after December 31, 2018.

5 **SECTION 884.** 71.10 (4) (cs) of the statutes is created to read:

6 71.10 (4) (cs) Additional household and dependent care expenses tax credit
7 under s. 71.07 (8m).

8 **SECTION 885.** 71.10 (4) (gye) of the statutes is created to read:

9 71.10 (4) (gye) Family and individual reinvestment credit under s. 71.07 (5me).

10 **SECTION 886.** 71.10 (4) (i) of the statutes is amended to read:

11 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
12 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and
13 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief
14 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.
15 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment
16 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.
17 71.07 (3rm), food processing plant and food warehouse investment credit under s.
18 71.07 (3rn), business development credit under s. 71.07 (3y), research credit under
19 s. 71.07 (4k) (e) 2. a. and am., film production services credit under s. 71.07 (5f), film
20 production company investment credit under s. 71.07 (5h), veterans and surviving
21 spouses property tax credit under s. 71.07 (6e), enterprise zone jobs credit under s.
22 71.07 (3w), electronics and information technology manufacturing zone credit under
23 s. 71.07 (3wm), beginning farmer and farm asset owner tax credit under s. 71.07 (8r),
24 earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09,
25 and taxes withheld under subch. X.

1 **SECTION 887.** 71.10 (4) (k) of the statutes is created to read:

2 71.10 (4) (k) Any amount computed under s. 71.83 (1) (ch).

3 **SECTION 888.** 71.10 (10) of the statutes is created to read:

4 71.10 (10) **FIRST-TIME HOME BUYERS SAVINGS ACCOUNTS.** (a) *Definitions.* In this
5 subsection:

6 1. "Account holder" means an individual who creates, individually or jointly
7 with his or her spouse, an account under this subsection.

8 2. "Allowable closing costs" means disbursements listed in a settlement
9 statement for the purchase of a single-family residence by an account holder.

10 3. "Beneficiary" means a first-time home buyer who is designated by an
11 account holder as the beneficiary of an account under this subsection.

12 4. "Eligible costs" means the down payment and allowable closing costs for the
13 purchase of a single-family residence in this state by a beneficiary.

14 5. "Financial institution" means any bank, trust company, savings institution,
15 savings bank, savings and loan association, industrial loan association, consumer
16 finance company, credit union, or any benefit association, insurance company, safe
17 deposit company, money market mutual fund, or similar entity authorized to do
18 business in this state.

19 6. "First-time home buyer" means an individual who resides in this state and
20 has not owned or purchased, either individually or jointly, a single-family residence
21 during the 36 months before the month in which the individual purchases a
22 single-family residence in this state.

23 7. "Single-family residence" means a residence intended for occupation by a
24 single family unit that is owned and occupied by a beneficiary as his or her principal

1 residence, including a manufactured home, residential trailer, mobile home,
2 condominium unit, or cooperative.

3 (b) *Creation of account.* 1. An individual may become an account holder by
4 creating an account at a financial institution to pay or reimburse the eligible costs
5 of a first-time home buyer.

6 2. The account holder shall designate a beneficiary when the account is created.
7 The account holder may designate himself or herself as the beneficiary. An account
8 holder may change the beneficiary at any time. No account created under this
9 subsection may have more than one beneficiary at any one time.

10 3. An individual may jointly own an account created under this subsection with
11 his or her spouse.

12 4. An individual may be the account holder of more than one account created
13 under this subsection, but an account holder may not have more than one account
14 that designates the same beneficiary.

15 5. An individual may be the beneficiary of more than one account created under
16 this subsection.

17 6. Only cash and marketable securities may be contributed to an account under
18 this subsection.

19 7. Persons other than an account holder may contribute to an account created
20 under this subsection, but the subtraction under s. 71.05 (6) (b) 54. may be claimed
21 only by an account holder.

22 (c) *Account holder rights and responsibilities.* 1. An account holder may
23 withdraw funds from an account created under this subsection to pay eligible costs
24 for the benefit of the beneficiary or to reimburse the beneficiary for eligible costs the
25 beneficiary incurs and has paid.

1 2. An account holder may not use funds in an account created under this
2 subsection to pay any expenses he or she incurs in administering the account,
3 although a financial institution may deduct a service fee from the account.

4 3. Annually, an account holder shall submit to the department of revenue with
5 his or her income tax return, on forms prepared by the department, detailed
6 information regarding the account. The information submitted shall include all of
7 the following:

8 a. A list of transactions in the account during the taxable year to which the
9 account holder's return relates, including the beginning and ending balance of the
10 account.

11 b. The 1099 form issued by the financial institution that relates to the account.

12 c. A list of eligible costs, and other costs, for which funds from the account were
13 withdrawn during the taxable year to which the account holder's return relates.

14 4. An account holder may withdraw funds from the account with no penalty due
15 under s. 71.83 (1) (ch) and no responsibility to make an addition under s. 71.05 (6)
16 (a) 29., if he or she immediately transfers the funds to a different financial institution
17 and deposits the funds into an account created under this subsection at that financial
18 institution.

19 (d) *Limitations on accounts, dissolution.* 1. An account holder may not claim
20 a subtraction under s. 71.05 (6) (b) 54. for more than a total of \$50,000 of deposits into
21 an account for each beneficiary.

22 2. An account holder shall dissolve an account created under this subsection
23 not later than 120 months after it is created by the account holder.

1 3. If funds remain in an account when it must be dissolved under subd. 2., the
2 financial institution shall distribute the proceeds in the account to the account
3 holder.

4 4. If an account holder dies while funds remain in the account, the proceeds
5 shall be distributed to the account holder's estate.

6 (e) *Department responsibilities.* The department shall:

7 1. Prepare and distribute any forms that an account holder is required to
8 submit under this subsection, and any other forms that the department believes are
9 necessary to enable it to administer this subsection and the adjustments to income
10 under s. 71.05 (6) (a) 29. and (b) 54.

11 2. Prepare and distribute to financial institutions and potential home buyers
12 informational materials about the accounts described in this subsection.

13 **SECTION 889.** 71.21 (4) (a) of the statutes is amended to read:

14 71.21 (4) (a) The amount of the credits computed by a partnership under s.
15 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w),
16 (3wm), (3y), (4k), (4n), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8b), (8r),
17 and (10) and passed through to partners shall be added to the partnership's income.

18 **SECTION 890.** 71.21 (7) of the statutes is created to read:

19 71.21 (7) A deduction under the Internal Revenue Code for moving expenses,
20 as defined in s. 71.01 (8j), paid or incurred during the taxable year to move the
21 taxpayer's Wisconsin business operation, in whole or in part, to a location outside the
22 state or to move the taxpayer's business operation outside the United States is not
23 allowed.

24 **SECTION 891.** 71.22 (1e) of the statutes is repealed.

25 **SECTION 892.** 71.22 (4) (c) of the statutes is repealed.

1 **SECTION 893.** 71.22 (4) (j) 3. m. of the statutes is created to read:

2 71.22 (4) (j) 3. m. Sections 101 (m), (n), (o), (p), and (q) and 104 (a) of division
3 U of P.L. 115-141.

4 **SECTION 894.** 71.22 (4) (k) 3. of the statutes is amended to read:

5 71.22 (4) (k) 3. For purposes of this paragraph, “Internal Revenue Code” does
6 not include amendments to the federal Internal Revenue Code enacted after
7 December 31, 2016, except that “Internal Revenue Code” includes sections 11024,
8 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

9 **SECTION 895.** 71.22 (4) (L) 1. of the statutes is amended to read:

10 71.22 (4) (L) 1. For taxable years beginning after December 31, 2017, and
11 before January 1, 2019, “Internal Revenue Code” means the federal Internal
12 Revenue Code as amended to December 31, 2017, except as provided in subds. 2. and
13 3. and subject to subd. 4., and except as provided in sub. (4m) and ss. 71.26 (2) (b) and
14 (3), 71.34 (1g), 71.42 (2), and 71.98.

15 **SECTION 896.** 71.22 (4) (L) 4. of the statutes is amended to read:

16 71.22 (4) (L) 4. For purposes of this paragraph, the provisions of federal public
17 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
18 paragraph, apply for Wisconsin purposes at the same time as for federal purposes,
19 except that changes made by P.L. 115-63 and sections 11026, 11027, 11028, 13207,
20 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L. 115-97
21 first apply for taxable years beginning after December 31, 2017.

22 **SECTION 897.** 71.22 (4) (m) of the statutes is created to read:

23 71.22 (4) (m) 1. For taxable years beginning after December 31, 2018, “Internal
24 Revenue Code” means the federal Internal Revenue Code as amended to December

1 31, 2018, except as provided in subds. 2. and 3. and subject to subd. 4., and except
2 as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g), 71.42 (2), and 71.98.

3 2. For purposes of this paragraph, "Internal Revenue Code" does not include
4 the following provisions of federal public laws for taxable years beginning after
5 December 31, 2018: section 13113 of P.L. 103-66; sections 1, 3, 4, and 5 of P.L.
6 106-519; sections 101, 102, and 422 of P.L. 108-357; sections 1310 and 1351 of P.L.
7 109-58; section 11146 of P.L. 109-59; section 403 (q) of P.L. 109-135; section 513 of
8 P.L. 109-222; sections 104 and 307 of P.L. 109-432; sections 8233 and 8235 of P.L.
9 110-28; section 11 (e) and (g) of P.L. 110-172; section 301 of P.L. 110-245; section
10 15351 of P.L. 110-246; section 302 of division A, section 401 of division B, and sections
11 312, 322, 502 (c), 707, and 801 of division C of P.L. 110-343; sections 1232, 1241, 1251,
12 1501, and 1502 of division B of P.L. 111-5; sections 211, 212, 213, 214, and 216 of P.L.
13 111-226; sections 2011 and 2122 of P.L. 111-240; sections 753, 754, and 760 of P.L.
14 111-312; section 1106 of P.L. 112-95; sections 104, 318, 322, 323, 324, 326, 327, and
15 411 of P.L. 112-240; P.L. 114-7; section 1101 of P.L. 114-74; section 305 of division
16 P of P.L. 114-113; sections 123, 125 to 128, 143, 144, 151 to 153, 165 to 167, 169 to
17 171, 189, 191, 307, 326, and 411 of division Q of P.L. 114-113; sections 11011, 13201
18 (a) to (e) and (g), 13801, 14101, 14102, 14103, 14201, 14202, 14211, 14212, 14213,
19 14214, 14215, 14221, 14222, 14301, 14302, 14304, and 14401 of P.L. 115-97; sections
20 40304, 40305, 40306, and 40412 of P.L. 115-123; section 101 (c) of division T of P.L.
21 115-141; and sections 101 (d) and (e), 102, 201 to 207, 301, 302, and 401 (a) (47) and
22 (195), (b) (13), (17), (22) and (30), and (d) (1) (D) (v), (vi), and (xiii) and (xvii) (II) of
23 division U of P.L. 115-141.

24 3. For purposes of this paragraph, "Internal Revenue Code" does not include
25 amendments to the federal Internal Revenue Code enacted after December 31, 2018.

1 4. For purposes of this paragraph, the provisions of federal public laws that
2 directly or indirectly affect the Internal Revenue Code, as defined in this paragraph,
3 apply for Wisconsin purposes at the same time as for federal purposes, except that
4 changes made by sections 11012, 13221, 13301, 13304 (a) and (b), 13531, and 13601
5 of P.L. 115-97, 20101, 20102, 20104, 20201, 40201, 40202, 40203, 40308, 40309,
6 40311, 40414, 41101, 41107, 41115, and 41116 of PL. 115-123 and section 101 (a), (b),
7 and (h) of division U of P.L. 115-141 apply for taxable years beginning after
8 December 31, 2018.

9 **SECTION 898.** 71.22 (4m) (c) of the statutes is repealed.

10 **SECTION 899.** 71.22 (4m) (j) 3. m. of the statutes is created to read:

11 71.22 (4m) (j) 3. m. Sections 101 (m), (n), (o), (p), and (q) and 104 (a) of division
12 U of P.L. 115-141.

13 **SECTION 900.** 71.22 (4m) (k) 3. of the statutes is amended to read:

14 71.22 (4m) (k) 3. For purposes of this paragraph, "Internal Revenue Code" does
15 not include amendments to the federal Internal Revenue Code enacted after
16 December 31, 2016, except that "Internal Revenue Code" includes sections 11024,
17 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

18 **SECTION 901.** 71.22 (4m) (L) 1. of the statutes is amended to read:

19 71.22 (4m) (L) 1. For taxable years beginning after December 31, 2017, and
20 before January 1, 2019, "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, 2017, except as provided in
23 subs. 2. and 3. and s. 71.98 and subject to subd. 4.

24 **SECTION 902.** 71.22 (4m) (L) 4. of the statutes is amended to read:

1 71.22 (4m) (L) 4. For purposes of this paragraph, the provisions of federal
2 public laws that directly or indirectly affect the Internal Revenue Code, as defined
3 in this paragraph, apply for Wisconsin purposes at the same time as for federal
4 purposes, except that changes made by P.L. 115-63 and sections 11026, 11027, 11028,
5 13207, 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L.
6 115-97 first apply for taxable years beginning after December 31, 2017.

7 **SECTION 903.** 71.22 (4m) (m) of the statutes is created to read:

8 71.22 (4m) (m) 1. For taxable years beginning after December 31, 2018,
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, 2018, except as provided in subds. 2. and 3. and s. 71.98
12 and subject to subd. 4.

13 2. For purposes of this paragraph, “Internal Revenue Code” does not include
14 the following provisions of federal public laws for taxable years beginning after
15 December 31, 2018: section 13113 of P.L. 103-66; sections 1, 3, 4, and 5 of P.L.
16 106-519; sections 101, 102, and 422 of P.L. 108-357; sections 1310 and 1351 of P.L.
17 109-58; section 11146 of P.L. 109-59; section 403 (q) of P.L. 109-135; section 513 of
18 P.L. 109-222; sections 104 and 307 of P.L. 109-432; sections 8233 and 8235 of P.L.
19 110-28; section 11 (e) and (g) of P.L. 110-172; section 301 of P.L. 110-245; section
20 15351 of P.L. 110-246; section 302 of division A, section 401 of division B, and sections
21 312, 322, 502 (c), 707, and 801 of division C of P.L. 110-343; sections 1232, 1241, 1251,
22 1501, and 1502 of division B of P.L. 111-5; sections 211, 212, 213, 214, and 216 of P.L.
23 ~~111-226; sections 2011 and 2122 of P.L. 111-240; sections 753, 754, and 760 of P.L.~~
24 111-312; section 1106 of P.L. 112-95; sections 104, 318, 322, 323, 324, 326, 327, and
25 411 of P.L. 112-240; P.L. 114-7; section 1101 of P.L. 114-74; section 305 of division

1 P of P.L. 114-113; sections 123, 125 to 128, 143, 144, 151 to 153, 165 to 167, 169 to
2 171, 189, 191, 307, 326, and 411 of division Q of P.L. 114-113; sections 11011, 13201
3 (a) to (e) and (g), 13801, 14101, 14102, 14103, 14201, 14202, 14211, 14212, 14213,
4 14214, 14215, 14221, 14222, 14301, 14302, 14304, and 14401 of P.L. 115-97; sections
5 40304, 40305, 40306, and 40412 of P.L. 115-123; section 101 (c) of division T of P.L.
6 115-141; and sections 101 (d) and (e), 102, 201 to 207, 301, 302, and 401 (a) (47) and
7 (195), (b) (13), (17), (22) and (30), and (d) (1) (D) (v), (vi), and (xiii) and (xvii) (II) of
8 division U of P.L. 115-141.

9 3. For purposes of this paragraph, "Internal Revenue Code" does not include
10 amendments to the federal Internal Revenue Code enacted after December 31, 2018.

11 4. For purposes of this paragraph, the provisions of federal public laws that
12 directly or indirectly affect the Internal Revenue Code, as defined in this paragraph,
13 apply for Wisconsin purposes at the same time as for federal purposes, except that
14 changes made by sections 11012, 13221, 13301, 13304 (a) and (b), 13531, and 13601
15 of P.L. 115-97, 20101, 20102, 20104, 20201, 40201, 40202, 40203, 40308, 40309,
16 40311, 40414, 41101, 41107, 41115, and 41116 of PL. 115-123 and section 101 (a), (b),
17 and (h) of division U of P.L. 115-141 apply for taxable years beginning after
18 December 31, 2018.

19 **SECTION 904.** 71.22 (5g) of the statutes is created to read:

20 71.22 (5g) For purposes of subs. (4) (b) and (4m) (b), 2013 stats., "Internal
21 Revenue Code" includes section 109 of division U of P.L. 115-141.

22 **SECTION 905.** 71.25 (9) (dh) 3. of the statutes is amended to read:

23 71.25 (9) (dh) 3. ~~Except as provided in subd. 4. if~~ If the purchaser of a service
24 receives the benefit of a service in more than one state, the gross receipts from the

1 performance of the service are included in the numerator of the sales factor according
2 to the portion of the service received in this state.

3 **SECTION 906.** 71.25 (9) (dh) 4. of the statutes is repealed.

4 **SECTION 907.** 71.25 (9) (dj) 1. (intro.) of the statutes is renumbered 71.25 (9)
5 (dj) (intro.) and amended to read:

6 71.25 (9) (dj) (intro.) Except as provided in ~~subd. 2m.~~ and par. (df), gross
7 royalties and other gross receipts received for the use or license of intangible
8 property, including patents, copyrights, trademarks, trade names, service names,
9 franchises, licenses, plans, specifications, blueprints, processes, techniques,
10 formulas, designs, layouts, patterns, drawings, manuals, technical know-how,
11 contracts, and customer lists, are sales in this state if any of the following applies:

12 **SECTION 908.** 71.25 (9) (dj) 1. a. of the statutes is renumbered 71.25 (9) (dj) 1n.
13 and amended to read:

14 71.25 (9) (dj) 1n. The purchaser or licensee uses the intangible property in the
15 operation of a trade or business at a location in this state. ~~Except as provided in subd.~~
16 ~~2m., if~~ If the purchaser or licensee uses the intangible property in the operation of
17 a trade or business in more than one state, the gross royalties and other gross
18 receipts from the use of the intangible property shall be divided between those states
19 having jurisdiction to impose an income tax on the taxpayer in proportion to the use
20 of the intangible property in those states.

21 **SECTION 909.** 71.25 (9) (dj) 1. b. of the statutes is renumbered 71.25 (9) (dj) 2n.

22 **SECTION 910.** 71.25 (9) (dj) 1. c. of the statutes is renumbered 71.25 (9) (dj) 3n.

23 **SECTION 911.** 71.25 (9) (dj) 2m. of the statutes is repealed.

24 **SECTION 912.** 71.25 (9) (g) of the statutes is repealed.

25 **SECTION 913.** 71.26 (1m) (o) of the statutes is created to read:

1 71.26 (1m) (o) Those issued by the Wisconsin Health and Educational Facilities
2 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
3 \$35,000,000 or less, and to the extent that the interest income received is not
4 otherwise exempt under this subsection.

5 **SECTION 914.** 71.26 (2) (a) 4. of the statutes is amended to read:

6 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dm),
7 (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (3wm), (3y), (5e),
8 (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8b), (8r), (9s), and (10) and not passed
9 through by a partnership, limited liability company, or tax-option corporation that
10 has added that amount to the partnership's, limited liability company's, or
11 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

12 **SECTION 915.** 71.26 (2) (b) 3. of the statutes is repealed.

13 **SECTION 916.** 71.26 (2) (b) 10. d. of the statutes is amended to read:

14 71.26 (2) (b) 10. d. For purposes of subd. 10. a., "Internal Revenue Code" does
15 not include amendments to the federal Internal Revenue Code enacted after
16 December 31, 2013, except that "Internal Revenue Code" includes the provisions of
17 P.L. 113-97, P.L. 113-159, P.L. 113-168, section 302901 of P.L. 113-287, sections 171,
18 172, and 201 to 221 of P.L. 113-295, sections 102, 105, and 207 of division B of P.L.
19 113-295, P.L. 114-14, P.L. 114-26, section 2004 of P.L. 114-41, sections 503 and 504
20 of P.L. 114-74, sections 103, 104, 124, 168, 184, 185, 190, 204, 303, 306, 336, and 341
21 of division Q of P.L. 114-113, and P.L. 114-239, and sections 101 (m), (n), (o), (p), and
22 (q) and 104 (a) of division U of P.L. 115-141.

23 **SECTION 917.** 71.26 (2) (b) 11. d. of the statutes is amended to read:

24 71.26 (2) (b) 11. d. For purposes of subd. 11. a., "Internal Revenue Code" does
25 not include amendments to the federal Internal Revenue Code enacted after

1 December 31, 2016, except that "Internal Revenue Code" includes sections 11024,
2 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

3 **SECTION 918.** 71.26 (2) (b) 12. a. of the statutes is amended to read:

4 71.26 (2) (b) 12. a. For taxable years beginning after December 31, 2017, and
5 before January 1, 2019, for a corporation, conduit, or common law trust which
6 qualifies as a regulated investment company, real estate mortgage investment
7 conduit, real estate investment trust, or financial asset securitization investment
8 trust under the Internal Revenue Code, "net income" means the federal regulated
9 investment company taxable income, federal real estate mortgage investment
10 conduit taxable income, federal real estate investment trust or financial asset
11 securitization investment trust taxable income of the corporation, conduit, or trust
12 as determined under the Internal Revenue Code.

13 **SECTION 919.** 71.26 (2) (b) 12. e. of the statutes is amended to read:

14 71.26 (2) (b) 12. e. For purposes of subd. 12. a., the provisions of federal public
15 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
16 subdivision, apply for Wisconsin purposes at the same time as for federal purposes,
17 except that changes made by P.L. 115-63 and sections 11026, 11027, 11028, 13207,
18 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L. 115-97
19 first apply for taxable years beginning after December 31, 2017.

20 **SECTION 920.** 71.26 (2) (b) 13. of the statutes is created to read:

21 71.26 (2) (b) 13. a. For taxable years beginning after December 31, 2018, for a
22 corporation, conduit, or common law trust which qualifies as a regulated investment
23 company, real estate mortgage investment conduit, real estate investment trust, or
24 financial asset securitization investment trust under the Internal Revenue Code,
25 "net income" means the federal regulated investment company taxable income,

1 federal real estate mortgage investment conduit taxable income, federal real estate
2 investment trust or financial asset securitization investment trust taxable income
3 of the corporation, conduit, or trust as determined under the Internal Revenue Code.

4 b. For purposes of subd. 13. a., “Internal Revenue Code” means the federal
5 Internal Revenue Code as amended to December 31, 2018, except as provided in
6 subd. 13. c. and d. and s. 71.98 and subject to subd. 13. e.

7 c. For purposes of subd. 13. a., “Internal Revenue Code” does not include the
8 following provisions of federal public laws for taxable years beginning after
9 December 31, 2018: section 13113 of P.L. 103-66; sections 1, 3, 4, and 5 of P.L.
10 106-519; sections 101, 102, and 422 of P.L. 108-357; sections 1310 and 1351 of P.L.
11 109-58; section 11146 of P.L. 109-59; section 403 (q) of P.L. 109-135; section 513 of
12 P.L. 109-222; sections 104 and 307 of P.L. 109-432; sections 8233 and 8235 of P.L.
13 110-28; section 11 (e) and (g) of P.L. 110-172; section 301 of P.L. 110-245; section
14 15351 of P.L. 110-246; section 302 of division A; section 401 of division B, and sections
15 312, 322, 502 (c), 707, and 801 of division C of P.L. 110-343; sections 1232, 1241, 1251,
16 1501, and 1502 of division B of P.L. 111-5; sections 211, 212, 213, 214, and 216 of P.L.
17 111-226; sections 2011 and 2122 of P.L. 111-240; sections 753, 754, and 760 of P.L.
18 111-312; section 1106 of P.L. 112-95; sections 104, 318, 322, 323, 324, 326, 327, and
19 411 of P.L. 112-240; P.L. 114-7; section 1101 of P.L. 114-74; section 305 of division
20 P of P.L. 114-113; sections 123, 125 to 128, 143, 144, 151 to 153, 165 to 167, 169 to
21 171, 189, 191, 307, 326, and 411 of division Q of P.L. 114-113; sections 11011, 13201
22 (a) to (e) and (g), 13801, 14101, 14102, 14103, 14201, 14202, 14211, 14212, 14213,
23 14214, 14215, 14221, 14222, 14301, 14302, 14304, and 14401 of P.L. 115-97; sections
24 40304, 40305, 40306, and 40412 of P.L. 115-123; section 101 (c) of division T of P.L.
25 115-141; and sections 101 (d) and (e), 102, 201 to 207, 301, 302, and 401 (a) (47) and

1 (195), (b) (13), (17), (22) and (30), and (d) (1) (D) (v), (vi), and (xiii) and (xvii) (II) of
2 division U of P.L. 115-141.

3 d. For purposes of subd. 13. a., "Internal Revenue Code" does not include
4 amendments to the federal Internal Revenue Code enacted after December 31, 2018.

5 e. For purposes of subd. 13. a., the provisions of federal public laws that directly
6 or indirectly affect the Internal Revenue Code, as defined in this subdivision, apply
7 for Wisconsin purposes at the same time as for federal purposes, except that changes
8 made by sections 11012, 13221, 13301, 13304 (a) and (b), 13531, and 13601 of P.L.
9 115-97, 20101, 20102, 20104, 20201, 40201, 40202, 40203, 40308, 40309, 40311,
10 40414, 41101, 41107, 41115, and 41116 of PL. 115-123 and section 101 (a), (b), and
11 (h) of division U of P.L. 115-141 apply for taxable years beginning after December
12 31, 2018.

13 **SECTION 921.** 71.26 (2) (b) 14. of the statutes is created to read:

14 71.26 (2) (b) 14. For purposes of par. (b) 2., 2013 stats., "Internal Revenue Code"
15 includes section 109 of division U of P.L. 115-141.

16 **SECTION 922.** 71.26 (3) (e) 4. of the statutes is created to read:

17 71.26 (3) (e) 4. So that moving expenses, as defined in s. 71.01 (8j), paid or
18 incurred during the taxable year to move the taxpayer's Wisconsin business
19 operation, in whole or in part, to a location outside the state or to move the taxpayer's
20 business operation outside the United States may not be deducted as provided under
21 the Internal Revenue Code.

22 **SECTION 923.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

23 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides
24 in an area designated by the federal government as an economic revitalization area,
25 a person who is employed in an unsubsidized job but meets the eligibility

1 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
2 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or
3 in a trial employment match program job subsidized employment placement, as
4 defined in s. 49.141 (1) (n) (Lm), a person who is eligible for child care assistance
5 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
6 disadvantaged youth, an economically disadvantaged veteran, a supplemental
7 security income recipient, a general assistance recipient, an economically
8 disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC
9 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp
10 recipient, if the person has been certified in the manner under s. 71.28 (1dj) (am) 3.,
11 2013 stats., by a designated local agency, as defined in s. 71.28 (1dj) (am) 2., 2013
12 stats.

13 **SECTION 924.** 71.28 (4) (k) 1. of the statutes is amended to read:

14 71.28 (4) (k) 1. The For taxable years beginning after December 31, 2017, and
15 before January 1, 2020, the amount of the claim not used to offset the tax due, not
16 to exceed 10 percent of the allowable amount of the claim under par. (ad) 4., 5., or 6.,
17 shall be certified by the department of revenue to the department of administration
18 for payment by check, share draft, or other draft drawn from the appropriation
19 account under s. 20.835 (2) (d). *Amend 321-19 JK*

20 **SECTION 925.** 71.28 (4) (k) 1m. of the statutes is created to read:

21 71.28 (4) (k) 1m. For taxable years beginning after December 31, 2019, the
22 amount of the claim not used to offset the tax due, not to exceed 20 percent of the
23 allowable amount of the claim under par. (ad) 4., 5., or 6., shall be certified by the
24 department of revenue to the department of administration for payment from the
25 appropriation account under s. 20.835 (2) (d). *Amend 321-25 JK*

1 **SECTION 926.** 71.28 (4) (k) 2. of the statutes is amended to read:

2 71.28 **(4)** (k) 2. The amount of the claim not used to offset the tax due and not
3 certified for payment under subd. 1. or 1m. may be carried forward and credited
4 against Wisconsin income or franchise taxes otherwise due for the following 15
5 taxable years to the extent not offset by these taxes otherwise due in all intervening
6 years between the year in which the expense was incurred and the year in which the
7 carry-forward credit is claimed.

8 **SECTION 927.** 71.28 (5n) (d) 2. of the statutes is amended to read:

9 71.28 **(5n)** (d) 2. Except as provided in ~~subd.~~ subds. 2m. and 3., for purposes of
10 determining a claimant's eligible qualified production activities income under this
11 subsection, the claimant shall multiply the claimant's qualified production activities
12 income from property manufactured by the claimant by the manufacturing property
13 factor and qualified production activities income from property produced, grown, or
14 extracted by the claimant by the agriculture property factor.

15 **SECTION 928.** 71.28 (5n) (d) 2m. of the statutes is created to read:

16 71.28 **(5n)** (d) 2m. Except as provided in subd. 3., for taxable years beginning
17 after December 31, 2018, for purposes of determining a claimant's eligible qualified
18 production activities income from manufacturing under this subsection, the
19 claimant shall multiply the claimant's qualified production activities income, not
20 exceeding \$300,000, from property manufactured by the claimant by the
21 manufacturing property factor.

22 **SECTION 929.** 71.28 (5n) (d) 3. a. of the statutes is amended to read:

23 71.28 **(5n)** (d) 3. a. The eligible qualified production activities income
24 determined under subd. 2. or 2m.

25 **SECTION 930.** 71.28 (6) (a) 3. of the statutes is amended to read:

1 71.28 (6) (a) 3. For taxable years beginning after December 31, 2013, and before
2 January 1, 2019, any person may claim as a credit against taxes otherwise due under
3 s. 71.23, up to the amount of those taxes, an amount equal to 20 percent of the costs
4 of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the Internal
5 Revenue Code, for qualified rehabilitated buildings, as defined in section 47 (c) (1)
6 of the Internal Revenue Code, on property located in this state, if the cost of the
7 person's qualified rehabilitation expenditures is at least \$50,000 and the
8 rehabilitated property is placed in service after December 31, 2013, and regardless
9 of whether the rehabilitated property is used for multiple or revenue-producing
10 purposes. No credit may be claimed under this subdivision for property listed as a
11 contributing building in the state register of historic places or in the national register
12 of historic places and no credit may be claimed under this subdivision for nonhistoric,
13 nonresidential property converted into housing if the property has been previously
14 used for housing.

15 **SECTION 931.** 71.28 (6) (cn) (intro.) of the statutes is amended to read:

16 71.28 (6) (cn) (intro.) For taxable years beginning after December 31, 2014, and
17 before January 1, 2019, the Wisconsin Economic Development Corporation shall
18 certify a person to claim a credit under par. (a) 3. if all of the following apply:

19 **SECTION 932.** 71.28 (6) (e) of the statutes is renumbered 71.28 (6) (e) 1.

20 **SECTION 933.** 71.28 (6) (e) 2. of the statutes is created to read:

21 71.28 (6) (e) 2. No credit may be claimed under par. (a) 3. for taxable years
22 beginning after December 31, 2018. Credits under par. (a) 3. for taxable years that
23 begin before January 1, 2019, may be carried forward to taxable years that begin
24 after December 31, 2018.

25 **SECTION 934.** 71.30 (3) (f) of the statutes is amended to read:

1 71.30 (3) (f) The total of farmland preservation credit under subch. IX,
2 farmland tax relief credit under s. 71.28 (2m), dairy manufacturing facility
3 investment credit under s. 71.28 (3p), jobs credit under s. 71.28 (3q), meat processing
4 facility investment credit under s. 71.28 (3r), woody biomass harvesting and
5 processing credit under s. 71.28 (3rm), food processing plant and food warehouse
6 investment credit under s. 71.28 (3rn), enterprise zone jobs credit under s. 71.28
7 (3w), electronics and information technology manufacturing zone credit under s.
8 71.28 (3wm), business development credit under s. 71.28 (3y), research credit under
9 s. 71.28 (4) (k) 1. and 1m., film production services credit under s. 71.28 (5f), film
10 production company investment credit under s. 71.28 (5h), beginning farmer and
11 farm asset owner tax credit under s. 71.28 (8r), and estimated tax payments under
12 s. 71.29.

13 **SECTION 935.** 71.34 (1g) (c) of the statutes is repealed.

14 **SECTION 936.** 71.34 (1g) (j) 3. m. of the statutes is created to read:

15 71.34 (1g) (j) 3. m. Sections 101 (m), (n), (o), (p), and (q) and 104 (a) of division
16 U of P.L. 115-141.

17 **SECTION 937.** 71.34 (1g) (k) 3. of the statutes is amended to read:

18 71.34 (1g) (k) 3. For purposes of this paragraph, “Internal Revenue Code” does
19 not include amendments to the federal Internal Revenue Code enacted after
20 December 31, 2016, except that “Internal Revenue Code” includes sections 11024,
21 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

22 **SECTION 938.** 71.34 (1g) (L) 1. of the statutes is amended to read:

23 71.34 (1g) (L) 1. For taxable years beginning after December 31, 2017, and
24 before January 1, 2019, for tax option corporations, “Internal Revenue Code” means

1 the federal Internal Revenue Code as amended to December 31, 2017, except as
2 provided in subds. 2., 3., and 5. and s. 71.98 and subject to subd. 4.

3 **SECTION 939.** 71.34 (1g) (L) 4. of the statutes is amended to read:

4 71.34 (1g) (L) 4. For purposes of this paragraph, the provisions of federal public
5 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
6 paragraph, apply for Wisconsin purposes at the same time as for federal purposes,
7 except that changes made by P.L. 115-63 and sections 11026, 11027, 11028, 13207,
8 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L. 115-97
9 first apply for taxable years beginning after December 31, 2017.

10 **SECTION 940.** 71.34 (1g) (m) of the statutes is created to read:

11 71.34 (1g) (m) 1. For taxable years beginning after December 31, 2018, for tax
12 option corporations, "Internal Revenue Code" means the federal Internal Revenue
13 Code as amended to December 31, 2018, except as provided in subds. 2., 3., and 5. and
14 s. 71.98 and subject to subd. 4.

15 2. For purposes of this paragraph, "Internal Revenue Code" does not include
16 the following provisions of federal public laws for taxable years beginning after
17 December 31, 2018: section 13113 of P.L. 103-66; sections 1, 3, 4, and 5 of P.L.
18 106-519; sections 101, 102, and 422 of P.L. 108-357; sections 1310 and 1351 of P.L.
19 109-58; section 11146 of P.L. 109-59; section 403 (q) of P.L. 109-135; section 513 of
20 P.L. 109-222; sections 104 and 307 of P.L. 109-432; sections 8233 and 8235 of P.L.
21 110-28; section 11 (e) and (g) of P.L. 110-172; section 301 of P.L. 110-245; section
22 15351 of P.L. 110-246; section 302 of division A, section 401 of division B, and sections
23 312, 322, 502 (c), 707, and 801 of division C of P.L. 110-343; sections 1232, 1241, 1251,
24 1501, and 1502 of division B of P.L. 111-5; sections 211, 212, 213, 214, and 216 of P.L.
25 111-226; sections 2011 and 2122 of P.L. 111-240; sections 753, 754, and 760 of P.L.

1 111-312; section 1106 of P.L. 112-95; sections 104, 318, 322, 323, 324, 326, 327, and
2 411 of P.L. 112-240; P.L. 114-7; section 1101 of P.L. 114-74; section 305 of division
3 P of P.L. 114-113; sections 123, 125 to 128, 143, 144, 151 to 153, 165 to 167, 169 to
4 171, 189, 191, 307, 326, and 411 of division Q of P.L. 114-113; sections 11011, 13201
5 (a) to (e) and (g), 13801, 14101, 14102, 14103, 14201, 14202, 14211, 14212, 14213,
6 14214, 14215, 14221, 14222, 14301, 14302, 14304, and 14401 of P.L. 115-97; sections
7 40304, 40305, 40306, and 40412 of P.L. 115-123; section 101 (c) of division T of P.L.
8 115-141; and sections 101 (d) and (e), 102, 201 to 207, 301, 302, and 401 (a) (47) and
9 (195), (b) (13), (17), (22) and (30), and (d) (1) (D) (v), (vi), and (xiii) and (xvii) (II) of
10 division U of P.L. 115-141.

11 3. For purposes of this paragraph, "Internal Revenue Code" does not include
12 amendments to the federal Internal Revenue Code enacted after December 31, 2018.

13 4. For purposes of this paragraph, the provisions of federal public laws that
14 directly or indirectly affect the Internal Revenue Code, as defined in this paragraph,
15 apply for Wisconsin purposes at the same time as for federal purposes, except that
16 changes made by sections 11012, 13221, 13301, 13304 (a) and (b), 13531, and 13601
17 of P.L. 115-97, 20101, 20102, 20104, 20201, 40201, 40202, 40203, 40308, 40309,
18 40311, 40414, 41101, 41107, 41115, and 41116 of PL. 115-123 and section 101 (a), (b),
19 and (h) of division U of P.L. 115-141 apply for taxable years beginning after
20 December 31, 2018.

21 5. For purposes of this paragraph, section 1366 (f) of the Internal Revenue Code
22 (relating to pass-through of items to shareholders) is modified by substituting the
23 tax under s. 71.35 for the taxes under sections 1374 and 1375 of the Internal Revenue
24 Code.

25 **SECTION 941.** 71.34 (1k) (g) of the statutes is amended to read:

1 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option
2 corporation under s. 71.28 (1dm), (1dx), (1dy), (3), (3g), (3h), (3n), (3p), (3q), (3r),
3 (3rm), (3rn), (3t), (3w), (3wm), (3y), (4), (5), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
4 (5rm), (6n), (8b), (8r), and (10) and passed through to shareholders.

5 **SECTION 942.** 71.34 (1k) (o) of the statutes is created to read:

6 71.34 (1k) (o) An addition shall be made for any amount deducted under the
7 Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid or
8 incurred during the taxable year to move the taxpayer's Wisconsin business
9 operation, in whole or in part, to a location outside the state or to move the taxpayer's
10 business operation outside the United States.

11 **SECTION 943.** 71.34 (1u) of the statutes is created to read:

12 71.34 (1u) For purposes of sub. (1g) (b), 2013 stats., "Internal Revenue Code"
13 includes section 109 of division U of P.L. 115-141.

14 **SECTION 944.** 71.42 (2) (c) of the statutes is repealed.

15 **SECTION 945.** 71.42 (2) (j) 3. m. of the statutes is created to read:

16 71.42 (2) (j) 3. m. Sections 101 (m), (n), (o), (p), and (q) and 104 (a) of division
17 U of P.L. 115-141.

18 **SECTION 946.** 71.42 (2) (k) 3. of the statutes is amended to read:

19 71.42 (2) (k) 3. For purposes of this paragraph, "Internal Revenue Code" does
20 not include amendments to the federal Internal Revenue Code enacted after
21 December 31, 2016, except that "Internal Revenue Code" includes sections 11024,
22 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

23 **SECTION 947.** 71.42 (2) (L) 1. of the statutes is amended to read:

24 71.42 (2) (L) 1. For taxable years beginning after December 31, 2017, and
25 before January 1, 2019, "Internal Revenue Code" means the federal Internal

1 Revenue Code as amended to December 31, 2017, except as provided in subds. 2. to
2 4. and s. 71.98 and subject to subd. 5.

3 **SECTION 948.** 71.42 (2) (L) 5. of the statutes is amended to read:

4 71.42 (2) (L) 5. For purposes of this paragraph, the provisions of federal public
5 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
6 paragraph, apply for Wisconsin purposes at the same time as for federal purposes,
7 except that changes made by P.L. 115-63 and sections 11026, 11027, 11028, 13207,
8 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L. 115-97
9 first apply for taxable years beginning after December 31, 2017.

10 **SECTION 949.** 71.42 (2) (m) of the statutes is created to read:

11 71.42 (2) (m) 1. For taxable years beginning after December 31, 2018, "Internal
12 Revenue Code" means the federal Internal Revenue Code as amended to December
13 31, 2018, except as provided in subds. 2. to 4. and s. 71.98 and subject to subd. 5.

14 2. For purposes of this paragraph, "Internal Revenue Code" does not include
15 the following provisions of federal public laws for taxable years beginning after
16 December 31, 2018: section 13113 of P.L. 103-66; sections 1, 3, 4, and 5 of P.L.
17 106-519; sections 101, 102, and 422 of P.L. 108-357; sections 1310 and 1351 of P.L.
18 109-58; section 11146 of P.L. 109-59; section 403 (q) of P.L. 109-135; section 513 of
19 P.L. 109-222; sections 104 and 307 of P.L. 109-432; sections 8233 and 8235 of P.L.
20 110-28; section 11 (e) and (g) of P.L. 110-172; section 301 of P.L. 110-245; section
21 15351 of P.L. 110-246; section 302 of division A, section 401 of division B, and sections
22 312, 322, 502 (c), 707, and 801 of division C of P.L. 110-343; sections 1232, 1241, 1251,
23 1501, and 1502 of division B of P.L. 111-5; sections 211, 212, 213, 214, and 216 of P.L.
24 111-226; sections 2011 and 2122 of P.L. 111-240; sections 753, 754, and 760 of P.L.
25 111-312; section 1106 of P.L. 112-95; sections 104, 318, 322, 323, 324, 326, 327, and

1 411 of P.L. 112-240; P.L. 114-7; section 1101 of P.L. 114-74; section 305 of division
2 P of P.L. 114-113; sections 123, 125 to 128, 143, 144, 151 to 153, 165 to 167, 169 to
3 171, 189, 191, 307, 326, and 411 of division Q of P.L. 114-113; sections 11011, 13201
4 (a) to (e) and (g), 13801, 14101, 14102, 14103, 14201, 14202, 14211, 14212, 14213,
5 14214, 14215, 14221, 14222, 14301, 14302, 14304, and 14401 of P.L. 115-97; sections
6 40304, 40305, 40306, and 40412 of P.L. 115-123; section 101 (c) of division T of P.L.
7 115-141; and sections 101 (d) and (e), 102, 201 to 207, 301, 302, and 401 (a) (47) and
8 (195), (b) (13), (17), (22) and (30), and (d) (1) (D) (v), (vi), and (xiii) and (xvii) (II) of
9 division U of P.L. 115-141.

10 3. For purposes of this paragraph, "Internal Revenue Code" does not include
11 amendments to the federal Internal Revenue Code enacted after December 31, 2018.

12 4. For purposes of this paragraph, "Internal Revenue Code" does not include
13 section 847 of the federal Internal Revenue Code.

14 5. For purposes of this paragraph, the provisions of federal public laws that
15 directly or indirectly affect the Internal Revenue Code, as defined in this paragraph,
16 apply for Wisconsin purposes at the same time as for federal purposes, except that
17 changes made by sections 11012, 13221, 13301, 13304 (a) and (b), 13531, and 13601
18 of P.L. 115-97, 20101, 20102, 20104, 20201, 40201, 40202, 40203, 40308, 40309,
19 40311, 40414, 41101, 41107, 41115, and 41116 of PL. 115-123 and section 101 (a), (b),
20 and (h) of division U of P.L. 115-141 apply for taxable years beginning after
21 December 31, 2018.

22 **SECTION 950.** 71.42 (2p) of the statutes is created to read:

23 71.42 (2p) For purposes of sub. (2) (b), 2013 stats., "Internal Revenue Code"
24 includes section 109 of division U of P.L. 115-141.

25 **SECTION 951.** 71.45 (1t) (n) of the statutes is created to read:

1 71.45 (1t) (n) Those issued by the Wisconsin Health and Educational Facilities
2 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
3 \$35,000,000 or less, and to the extent that the interest income received is not
4 otherwise exempt under this subsection.

5 **SECTION 952.** 71.45 (2) (a) 10. of the statutes is amended to read:

6 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
7 computed under s. 71.47 (1dm) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),
8 (3w), (3y), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8b), (8r), (9s), and (10)
9 and not passed through by a partnership, limited liability company, or tax-option
10 corporation that has added that amount to the partnership's, limited liability
11 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and
12 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

13 **SECTION 953.** 71.45 (2) (a) 20. of the statutes is created to read:

14 71.45 (2) (a) 20. By adding to federal taxable income any amount deducted
15 under the Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid
16 or incurred during the taxable year to move the taxpayer's Wisconsin business
17 operation, in whole or in part, to a location outside the state or to move the taxpayer's
18 business operation outside the United States.

19 **SECTION 954.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

20 71.47 (1dx) (a) 5. "Member of a targeted group" means a person who resides
21 in an area designated by the federal government as an economic revitalization area,
22 a person who is employed in an unsubsidized job but meets the eligibility
23 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
24 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or
25 in a ~~trial employment match program job~~ subsidized employment placement, as

1 defined in s. 49.141 (1) ~~(n)~~ (Lm), a person who is eligible for child care assistance
 2 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
 3 disadvantaged youth, an economically disadvantaged veteran, a supplemental
 4 security income recipient, a general assistance recipient, an economically
 5 disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC
 6 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp
 7 recipient, if the person has been certified in the manner under s. 71.47 (1dj) (am) 3.,
 8 2013 stats., by a designated local agency, as defined in s. 71.47 (1dj) (am) 2., 2013
 9 stats.

10 **SECTION 955.** 71.47 (4) (k) 1. of the statutes is amended to read:

11 71.47 (4) (k) 1. The For taxable years beginning after December 31, 2017, and
 12 before January 1, 2020, the amount of the claim not used to offset the tax due, not
 13 to exceed 10 percent of the allowable amount of the claim under par. (ad) 4., 5., or 6.,
 14 shall be certified by the department of revenue to the department of administration
 15 for payment by check, share draft, or other draft drawn from the appropriation
 16 account under s. 20.835 (2) (d). *Insert 331-16 UK*

17 **SECTION 956.** 71.47 (4) (k) 1m. of the statutes is created to read:

18 71.47 (4) (k) 1m. For taxable years beginning after December 31, 2019, the
 19 amount of the claim not used to offset the tax due, not to exceed 20 percent of the
 20 allowable amount of the claim under par. (ad) 4., 5., or 6., shall be certified by the
 21 department of revenue to the department of administration for payment from the
 22 appropriation account under s. 20.835 (2) (d). *Insert 331-22 UK*

23 **SECTION 957.** 71.47 (4) (k) 2. of the statutes is amended to read:

24 71.47 (4) (k) 2. The amount of the claim not used to offset the tax due and not
 25 certified for payment under subd. 1. or 1m. may be carried forward and credited

1 against Wisconsin income or franchise taxes otherwise due for the following 15
2 taxable years to the extent not offset by these taxes otherwise due in all intervening
3 years between the year in which the expense was incurred and the year in which the
4 carry-forward credit is claimed.

5 **SECTION 958.** 71.47 (6) (a) 3. of the statutes is amended to read:

6 71.47 (6) (a) 3. For taxable years beginning after December 31, 2013, and before
7 January 1, 2019, any person may claim as a credit against taxes otherwise due under
8 s. 71.43, up to the amount of those taxes, an amount equal to 20 percent of the costs
9 of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the Internal
10 Revenue Code, for qualified rehabilitated buildings, as defined in section 47 (c) (1)
11 of the Internal Revenue Code, on property located in this state, if the cost of the
12 person's qualified rehabilitation expenditures is at least \$50,000 and the
13 rehabilitated property is placed in service after December 31, 2013, and regardless
14 of whether the rehabilitated property is used for multiple or revenue-providing
15 purposes. No credit may be claimed under this subdivision for property listed as a
16 contributing building in the state register of historic places or in the national register
17 of historic places and no credit may be claimed under this subdivision for nonhistoric,
18 nonresidential property converted into housing if the property has been previously
19 used for housing.

20 **SECTION 959.** 71.47 (6) (cn) (intro.) of the statutes is amended to read:

21 71.47 (6) (cn) (intro.) For taxable years beginning after December 31, 2014, and
22 before January 1, 2019, the Wisconsin Economic Development Corporation shall
23 certify a person to claim a credit under par. (a) 3. if all of the following apply:

24 **SECTION 960.** 71.47 (6) (e) of the statutes is renumbered 71.47 (6) (e) 1.

25 **SECTION 961.** 71.47 (6) (e) 2. of the statutes is created to read:

1 71.47 (6) (e) 2. No credit may be claimed under par. (a) 3. for taxable years
2 beginning after December 31, 2018. Credits under par. (a) 3. for taxable years that
3 begin before January 1, 2019, may be carried forward to taxable years that begin
4 after December 31, 2018.

5 **SECTION 962.** 71.49 (1) (f) of the statutes is amended to read:

6 71.49 (1) (f) The total of farmland preservation credit under subch. IX,
7 farmland tax relief credit under s. 71.47 (2m), dairy manufacturing facility
8 investment credit under s. 71.47 (3p), jobs credit under s. 71.47 (3q), meat processing
9 facility investment credit under s. 71.47 (3r), woody biomass harvesting and
10 processing credit under s. 71.47 (3rm), food processing plant and food warehouse
11 investment credit under s. 71.47 (3rn), enterprise zone jobs credit under s. 71.47
12 (3w), business development credit under s. 71.47 (3y), research credit under s. 71.47
13 (4) (k) 1. and 1m., film production services credit under s. 71.47 (5f), film production
14 company investment credit under s. 71.47 (5h), beginning farmer and farm asset
15 owner tax credit under s. 71.47 (8r), and estimated tax payments under s. 71.48.

16 **SECTION 963.** 71.52 (6) of the statutes is amended to read:

17 71.52 (6) "Income" means the sum of Wisconsin adjusted gross income and the
18 following amounts, to the extent not included in Wisconsin adjusted gross income:
19 maintenance payments (except foster care maintenance and supplementary
20 payments excludable under section 131 of the internal revenue code), support money,
21 cash public assistance (not including credit granted under this subchapter and
22 amounts under s. 46.27, 2017 stats.), cash benefits paid by counties under s. 59.53
23 (21), the gross amount of any pension or annuity (including railroad retirement
24 benefits, all payments received under the federal social security act and veterans
25 disability pensions), nontaxable interest received from the federal government or

1 any of its instrumentalities, nontaxable interest received on state or municipal
2 bonds, worker's compensation, unemployment insurance, the gross amount of "loss
3 of time" insurance, compensation and other cash benefits received from the United
4 States for past or present service in the armed forces, scholarship and fellowship gifts
5 or income, capital gains, gain on the sale of a personal residence excluded under
6 section 121 of the internal revenue code, dividends, income of a nonresident or
7 part-year resident who is married to a full-year resident, housing allowances
8 provided to members of the clergy, the amount by which a resident manager's rent
9 is reduced, nontaxable income of an American Indian, nontaxable income from
10 sources outside this state and nontaxable deferred compensation. Intangible drilling
11 costs, depletion allowances and depreciation, including first-year depreciation
12 allowances under section 179 of the internal revenue code, amortization,
13 contributions to individual retirement accounts under section 219 of the internal
14 revenue code, contributions to Keogh plans, net operating loss carry-backs and
15 carry-forwards, capital loss carry-forwards, and disqualified losses deducted in
16 determining Wisconsin adjusted gross income shall be added to "income". "Income"
17 does not include gifts from natural persons, cash reimbursement payments made
18 under title XX of the federal social security act, surplus food or other relief in kind
19 supplied by a governmental agency, the gain on the sale of a personal residence
20 deferred under section 1034 of the internal revenue code or nonrecognized gain from
21 involuntary conversions under section 1033 of the internal revenue code. Amounts
22 not included in adjusted gross income but added to "income" under this subsection
23 in a previous year and repaid may be subtracted from income for the year during
24 which they are repaid. Scholarship and fellowship gifts or income that are included
25 in Wisconsin adjusted gross income and that were added to household income for

1 purposes of determining the credit under this subchapter in a previous year may be
2 subtracted from income for the current year in determining the credit under this
3 subchapter. A marital property agreement or unilateral statement under ch. 766 has
4 no effect in computing "income" for a person whose homestead is not the same as the
5 homestead of that person's spouse.

6 **SECTION 964.** 71.54 (1) (g) (intro.) of the statutes is amended to read:

7 71.54 (1) (g) *2012 and thereafter to 2019.* (intro.) The amount of any claim for
8 calendar years beginning before January 1, 2020, filed in 2012 and thereafter and
9 based on property taxes accrued or rent constituting property taxes accrued during
10 the previous year is limited as follows:

11 **SECTION 965.** 71.54 (1) (h) of the statutes is created to read:

12 71.54 (1) (h) *2020 and thereafter.* Subject to sub. (2m), the amount of any claim
13 for calendar years beginning after December 31, 2019, filed in 2020 and thereafter,
14 and based on property taxes accrued or rent constituting property taxes accrued
15 during the previous year is limited as follows:

16 1. If the household income was \$8,060 or less in the year to which the claim
17 relates, the claim is limited to 80 percent of the property taxes accrued or rent
18 constituting property taxes accrued or both in that year on the claimant's homestead.

19 2. If the household income was more than \$8,060 in the year to which the claim
20 relates, the claim is limited to 80 percent of the amount by which the property taxes
21 accrued or rent constituting property taxes accrued or both in that year on the
22 claimant's homestead exceeds 6.655 percent of the household income exceeding
23 \$8,060.

24 3. No credit may be allowed if the household income of a claimant exceeds
25 \$30,000.

1 4. Notwithstanding the time limitations described in par. (g) (intro.), the
2 provisions of par. (g) 4., 5., 6., and 7. apply to claims filed under this paragraph.

3 **SECTION 966.** 71.54 (2) (b) 4. of the statutes is amended to read:

4 71.54 (2) (b) 4. In calendar years 2011 ~~or any subsequent calendar year to 2019,~~
5 \$1,460.

6 **SECTION 967.** 71.54 (2) (b) 5. of the statutes is created to read:

7 71.54 (2) (b) 5. Subject to sub. (2m), in calendar year 2020 or any subsequent
8 calendar year, \$1,460.

9 **SECTION 968.** 71.54 (2m) of the statutes is amended to read:

10 71.54 (2m) INDEXING FOR INFLATION; ~~2010 2020 AND THEREAFTER.~~ (a) For calendar
11 years beginning after December 31, 2009, ~~and before January 1, 2011~~ 2019, the dollar
12 amounts of the threshold income under sub. (1) (~~h~~) (h) 1. and 2., the maximum
13 household income under sub. (1) (~~h~~) (h) 3. and the maximum property taxes under
14 sub. (2) (b) ~~3.~~ 5. shall be increased each year by a percentage equal to the percentage
15 change between the U.S. consumer price index for all urban consumers, U.S. city
16 average, for the 12-month average of the U.S. consumer price index for the month
17 of August of the year before the previous year through the month of July of the
18 previous year and the U.S. consumer price index for all urban consumers, U.S. city
19 average, for the 12-month average of the U.S. consumer price index for August ~~2007~~
20 2017 through July ~~2008~~ 2018, as determined by the federal department of labor,
21 except that the adjustment may occur only if the percentage is a positive number.
22 Each amount that is revised under this paragraph shall be rounded to the nearest
23 multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount
24 is a multiple of \$5, such an amount shall be increased to the next higher multiple of
25 \$10. The department of revenue shall annually adjust the changes in dollar amounts

1 required under this paragraph and incorporate the changes into the income tax
2 forms and instructions.

3 (b) The department of revenue shall annually adjust the slope under sub. (1)
4 ~~(f)~~ (h) 2. such that, as a claimant's income increases from the threshold income as
5 calculated under par. (a), to an amount that exceeds the maximum household income
6 as calculated under par. (a), the credit that may be claimed is reduced to \$0 and the
7 department of revenue shall incorporate the changes into the income tax forms and
8 instructions.

9 **SECTION 969.** 71.54 (2m) (c) of the statutes is created to read:

10 71.54 **(2m)** (c) Notwithstanding the indexing provisions under par. (a), the
11 dollar amount of maximum household income under sub. (1) (h) 3. may not be
12 indexed for a claim filed for calendar years beginning after December 31, 2019, and
13 before January 1, 2021.

14 **SECTION 970.** 71.58 (7) (a) of the statutes is amended to read:

15 71.58 **(7)** (a) For an individual, means income as defined under s. 71.52 (6), plus
16 nonfarm business losses, plus amounts under s. 46.27, 2017 stats., less net operating
17 loss carry-forwards, less first-year depreciation allowances under section 179 of the
18 internal revenue code and less the first \$25,000 of depreciation expenses in respect
19 to the farm claimed by all of the individuals in a household.

20 **SECTION 971.** 71.78 (4) (m) of the statutes is amended to read:

21 71.78 **(4)** (m) The chief executive officer of the Wisconsin Economic
22 Development Corporation and employees of the corporation to the extent necessary
23 to administer ~~the development zone program~~ economic development programs under
24 ~~subch. II of ch. 238.~~

25 **SECTION 972.** 71.78 (5) of the statutes is amended to read:

1 71.78 (5) AGREEMENT WITH DEPARTMENT. Copies of returns and claims specified
2 in sub. (1) and related schedules, exhibits, writings or audit reports shall not be
3 furnished to the persons listed under sub. (4), except persons under sub. (4) (e), (k),
4 (n), (o) and (q) or under an agreement between the department of revenue and
5 another agency of government or the Wisconsin Economic Development Corporation.

6 SECTION 973. 71.80 (25) (a) of the statutes is renumbered 71.80 (25), and 71.80
7 (25) (title), as renumbered, is amended to read:

8 71.80 (25) (title) NET OPERATING AND BUSINESS LOSS CARRY-FORWARD AND
9 CARRY-BACK.

10 SECTION 974. 71.80 (25) (b) of the statutes is repealed.

11 SECTION 975. 71.83 (1) (ch) of the statutes is created to read:

12 71.83 (1) (ch) *First-time home buyers savings account withdrawals.* If an
13 account holder, as defined under s. 71.10 (10) (a) 1., or an account holder's estate is
14 required to add any amount to federal adjusted gross income under s. 71.05 (6) (a)
15 29., the account holder or the account holder's estate shall also pay an amount equal
16 to 10 percent of the amount that was added to income under s. 71.05 (6) (a) 29. The
17 department of revenue shall assess, levy, and collect the penalty under this
18 paragraph as it assesses, levies, and collects taxes under this chapter.

19 SECTION 976. 71.93 (title) of the statutes is amended to read:

20 71.93 (title) **Setoffs for other state agencies and debt collection for state**
21 **agencies, municipalities, and counties.**

22 SECTION 977. 71.93 (1) (a) 3. of the statutes is repealed.

23 SECTION 978. 71.93 (1) (a) 4. of the statutes is repealed.

24 SECTION 979. 71.93 (1) (a) 5. of the statutes is repealed.

25 SECTION 980. 71.93 (1) (a) 6. of the statutes is repealed.

1 **SECTION 981.** 71.93 (1) (a) 7m. of the statutes is repealed.

2 **SECTION 982.** 71.93 (1) (a) 8. of the statutes is repealed.

3 **SECTION 983.** 71.93 (1) (a) 9. of the statutes is created to read:

4 71.93 (1) (a) 9. A delinquent child support or spousal support obligation that
5 is certified under s. 49.855 and is owed to, or may be recovered by the department
6 of children and families on behalf of, a custodial parent, former spouse, or other
7 person.

8 **SECTION 984.** 71.93 (1) (a) 10. of the statutes is created to read:

9 71.93 (1) (a) 10. Restitution owed pursuant to an order or judgment under s.
10 973.09 (3) (b) or 973.20 (1r) that may be owed to, paid to, or recovered by the victim,
11 the department of corrections, a court, or a clerk of court.

12 **SECTION 985.** 71.93 (1) (b) of the statutes is amended to read:

13 71.93 (1) (b) "Debtor" means any person owing a debt to a state agency and any
14 person who owes a delinquent child support or spousal support obligation to an
15 agency of another state.

16 **SECTION 986.** 71.93 (1) (d) 3. of the statutes is created to read:

17 71.93 (1) (d) 3. A lottery prize equal to at least \$600 that exceeds a debtor's
18 Wisconsin tax liability or other liability owed to the department.

19 **SECTION 987.** 71.93 (1) (d) 4. of the statutes is created to read:

20 71.93 (1) (d) 4. Compensation or payment owed to a lottery retailer under ch.
21 565, whether owed by statute, rule, or contract, that exceeds a debtor's Wisconsin tax
22 liability or liability owed to the department.

23 **SECTION 988.** 71.93 (1) (e) of the statutes is renumbered 71.93 (1) (e) (intro.) and
24 amended to read:

1 71.93 (1) (e) (intro.) "State agency" ~~has the meaning set forth under s. 20.001~~

2 ~~(1). means any of the following:~~

3 **SECTION 989.** 71.93 (1) (e) 1. of the statutes is created to read:

4 71.93 (1) (e) 1. An office, department, or independent agency in the executive
5 branch of the Wisconsin state government, the legislature, or the courts.

6 **SECTION 990.** 71.93 (1) (e) 2. of the statutes is created to read:

7 71.93 (1) (e) 2. The State of Wisconsin.

8 **SECTION 991.** 71.93 (2) (title) of the statutes is amended to read:

9 71.93 (2) (title) CERTIFICATION OF STATE AGENCY DEBTS.

10 **SECTION 992.** 71.93 (2) of the statutes is renumbered 71.93 (2) (a) and amended
11 to read:

12 71.93 (2) (a) A state agency may certify to the department any properly
13 identified debt exceeding \$20 so that the department may set off the amount of the
14 debt against a refund to the debtor or so that the department of administration may
15 reduce a disbursement to the debtor by the amount of the debt. At least 30 days prior
16 to certification each debtor shall be sent a notice by the state agency of its intent to
17 certify the debt to the department for setoff or reduction and of the debtor's right of
18 appeal. At the time of certification, the certifying state agency shall furnish the
19 social security number or operator's license number of individual debtors and the
20 federal employer identification number of other debtors.

21 **SECTION 993.** 71.93 (2) (b) of the statutes is created to read:

22 71.93 (2) (b) A state agency wishing to certify a debt to the department shall
23 enter into a written agreement with the department prior to any certification under
24 par. (a). A certification of debt by a state agency, or changes to a certification, shall
25 be in a manner and form prescribed by the department. The secretary of revenue

1 shall be the final authority in the resolution of an interagency dispute regarding the
2 certification of a debt. If a refund or disbursement is adjusted after a setoff or
3 reduction, the department may readjust any erroneous settlement with the
4 certifying state agency.

5 **SECTION 994.** 71.93 (3) (title) of the statutes is repealed and recreated to read:

6 71.93 (3) (title) SETOFF.

7 **SECTION 995.** 71.93 (3) (a) (intro.) of the statutes is amended to read:

8 71.93 (3) (a) (intro.) The department of revenue shall ~~setoff~~ set off any debt or
9 other amount owed to the department, regardless of the origin of the debt or of the
10 amount, its nature or its date. ~~The department's setoff shall include the use of~~
11 ~~unclaimed property owed to the debtor under s. 177.24, against a refund owed to the~~
12 ~~debtor.~~ If after the setoff there remains a refund in excess of \$10, the department
13 shall set off the remaining refund against certified debts of ~~other entities~~ in the
14 following order:

****NOTE: This is reconciled s. 71.93 (3) (a) (intro.). This SECTION has been affected
by drafts with the following LRB numbers: -1932/P2 and -1933/P2.

15 **SECTION 996.** 71.93 (3) (a) 1. of the statutes is amended to read:

16 71.93 (3) (a) 1. Debt under s. 49.855 (1), certified by the department of children
17 and families under sub. (2) (a).

18 **SECTION 997.** 71.93 (3) (a) 1m. of the statutes is amended to read:

19 71.93 (3) (a) 1m. ~~Debt certified~~ Restitution under s. ~~973.20 (10) (b) sub. (1) (a)~~
20 10. that is certified by the department of corrections, a court, or a clerk of court.

21 **SECTION 998.** 71.93 (3) (a) 3. of the statutes is amended to read:

22 71.93 (3) (a) 3. Debt under s. 71.935 owed to ~~local units of government a~~
23 municipality or county and collected pursuant to an agreement under sub. (8).

1 **SECTION 999.** 71.93 (3) (a) 4. of the statutes is amended to read:

2 71.93 (3) (a) 4. Debt certified under sub. (2) (a), other than child support debt
3 certified by the department of children and families.

4 **SECTION 1000.** 71.93 (3) (a) 7. of the statutes is amended to read:

5 71.93 (3) (a) 7. Federal ~~tax~~ obligations collected pursuant to an agreement
6 under s. 73.03 (52) (a) or (b).

7 **SECTION 1001.** 71.93 (3) (b) of the statutes is amended to read:

8 71.93 (3) (b) The department shall provide the information obtained under sub.
9 (2) (a) to the department of administration. Before reducing any disbursement as
10 provided under this paragraph, the department of administration shall contact the
11 department to verify whether a certified debt that is the basis of the reduction has
12 been collected by other means. If the certified debt remains uncollected, the
13 department of administration shall reduce the disbursement by the amount of the
14 debtor's certified debt under sub. (2) (a), notify the department of such reduction and
15 disbursement, and remit the amount of the reduction to the department in the
16 manner prescribed by the department. If more than one certified debt exists for any
17 debtor, the disbursement shall be reduced first by any debts certified under s. 73.12
18 then by the earliest debt certified. Any legal action contesting a reduction under this
19 paragraph shall be brought against the state agency that certified the debt under
20 sub. (2) (a).

21 **SECTION 1002.** 71.93 (3) (d) of the statutes is created to read:

22 71.93 (3) (d) The department may provide, upon request by a state agency, a
23 report that details each active debt subject to this section of the state agency,
24 including the ending balance. The department may provide a weekly report to a state

1 agency of amounts collected and payments through electronic funds transfer or state
2 account system general ledger transfer.

3 **SECTION 1003.** 71.93 (4) of the statutes is repealed.

4 **SECTION 1004.** 71.93 (5) of the statutes is renumbered 71.93 (3) (e) and
5 amended to read:

6 71.93 (3) (e) ~~Debtor charged for costs.~~ Each debtor shall be charged for
7 ~~administration expenses~~ a collection fee, and the amounts charged shall be credited
8 to the department's appropriation under s. 20.566 (1) (h). The department may set
9 off amounts charged to the debtor under this subsection against any refund owed to
10 the debtor, in the manner provided in sub. (3). ~~Annually on or before November 1,~~
11 ~~the department shall review its costs incurred during the previous fiscal year in~~
12 ~~administering state agency setoffs and reductions and shall adjust its subsequent~~
13 ~~charges to each debtor to reflect that experience.~~

14 **SECTION 1005.** 71.93 (6) of the statutes is repealed.

15 **SECTION 1006.** 71.93 (7) (title) of the statutes is repealed.

16 **SECTION 1007.** 71.93 (7) of the statutes is renumbered 71.93 (3) (f).

17 **SECTION 1008.** 71.93 (8) (title) of the statutes is amended to read:

18 71.93 (8) (title) ~~STATE AGENCY DEBT~~ DEBT COLLECTION AGREEMENTS.

19 **SECTION 1009.** 71.93 (8) (a) of the statutes is repealed.

20 **SECTION 1010.** 71.93 (8) (b) 1. of the statutes is renumbered 71.93 (8) (am) and
21 amended to read:

22 71.93 (8) (am) Except for debts under sub. (1) (a) 2. and 9. and except as
23 provided in subd. 2. par. (bm), a state agency and the department of revenue shall
24 enter into a written agreement to have the department collect ~~any amount owed to~~
25 ~~the state agency~~ a debt that is more than 90 days past due, unless negotiations

1 between the agency and debtor are actively ongoing, the debt is the subject of legal
2 action or administrative proceedings, or the agency determines that the debtor is
3 adhering to an acceptable payment arrangement. At least 30 days before the
4 department pursues the collection of any debt referred by a state agency, either the
5 department or the agency shall provide the debtor with a written notice that the debt
6 will be referred to the department for collection. Any legal action contesting the
7 validity of a debt shall be brought against the state agency that referred the debt.

8 The department may collect amounts owed, pursuant to the written agreement, from
9 the debtor in addition to offsetting the amounts as provided under sub. (3). The
10 department shall charge each debtor whose debt is subject to collection under this
11 paragraph a collection fee and that amount shall be credited to the appropriation
12 under s. 20.566 (1) (h).

13 **SECTION 1011.** 71.93 (8) (b) 2. of the statutes is renumbered 71.93 (8) (bm) and
14 amended to read:

15 71.93 (8) (bm) The department may enter into agreements described under
16 subd. 1. par. (am) with the courts, the legislature, authorities, as defined in s. 16.41
17 (4), and local units of government, to collect debt under s. 71.935, municipalities and
18 counties. Any legal action contesting the validity of a debt shall be brought against
19 the unit of government that referred the debt to the department.

20 **SECTION 1012.** 71.93 (8) (b) 3. of the statutes is repealed.

21 **SECTION 1013.** 71.93 (8) (b) 4. of the statutes is renumbered 71.93 (8) (c).

22 **SECTION 1014.** 71.93 (8) (b) 5. of the statutes is renumbered 71.93 (8) (d).

23 **SECTION 1015.** 71.93 (8) (b) 6. of the statutes is renumbered 71.93 (8) (e).

24 **SECTION 1016.** 71.935 (1) (a) of the statutes is amended to read:

1 71.935 (1) (a) “Debt” means a parking citation of at least \$20 that is unpaid and
2 for which there has been no court appearance by the date specified in the citation or,
3 if no date is specified, that is unpaid for at least 28 days; an unpaid fine, fee,
4 restitution or forfeiture of at least \$20; delinquent general property taxes, as defined
5 in s. 74.01 (1), or a delinquent special assessment, as defined in s. 74.01 (3), special
6 charge, as defined in s. 74.01 (4), or special tax, as defined in s. 74.01 (5), and any
7 interest or penalty charged due to the delinquency; and any other debt that is at least
8 \$20, including debt related to property taxes, if the debt has been reduced to a
9 judgment or the municipality or county to which the debt is owed has provided the
10 debtor reasonable notice and an opportunity to be heard with regard to the debt. For
11 purposes of this subsection, a debt owed to an ambulance service provider operating
12 pursuant to a contract with a municipality or county under s. 59.54 (1), 60.565, 61.64,
13 or 62.133, is considered a debt owed to the municipality or county, if the debt relates
14 to providing ambulance services to individuals in that municipality or county as a
15 result of responding to requests that originate from a government-operated 911 call
16 center.

17 **SECTION 1017.** 71.935 (1) (am) of the statutes is repealed.

18 **SECTION 1018.** 71.935 (1) (ar) of the statutes is repealed.

19 **SECTION 1019.** 71.935 (1) (b) of the statutes is amended to read:

20 71.935 (1) (b) “Debtor” means a person who owes a debt ~~related to victim~~
21 ~~restitution or who owes a debt~~ to a municipality or county.

22 **SECTION 1020.** 71.935 (4) (a) of the statutes is repealed and recreated to read:

23 71.935 (4) (a) The department may provide, upon request by a municipality or
24 county, a report that details each active debt subject to this section of the
25 municipality or county, including the ending balance. The department may provide

1 a weekly report to a municipality or county of amounts collected and payments
2 disbursed through electronic funds transfer or state account system general ledger
3 transfer.

4 **SECTION 1021.** 71.935 (5) of the statutes is amended to read:

5 71.935 (5) Each debtor shall be charged for ~~administration expenses a~~
6 collection fee, and the amounts charged shall be credited to the appropriation
7 account under s. 20.566 (1) (h). The department may set off amounts charged to the
8 debtor under this subsection against any refund owed to the debtor, in the manner
9 provided in sub. (3). ~~Annually on or before November 1, the department shall review~~
10 ~~its costs incurred during the previous fiscal year in administering setoffs and~~
11 ~~reductions under this section and shall adjust its subsequent charges to each debtor~~
12 ~~to reflect that experience.~~

13 **SECTION 1022.** 73.03 (67) of the statutes is amended to read:

14 73.03 (67) To submit a request for a supplement under s. 16.515 for
15 administering the debt collection program under s. 71.93 (8) (b) that includes a
16 detailed plan for implementing the program, a listing of agencies and other entities
17 that would participate in the program, an estimate of the amount of debt collections
18 under the program, and the fees that the debtors would pay under the program.

19 **SECTION 1023.** 73.03 (71) (b) of the statutes is amended to read:

20 73.03 (71) (b) After the department makes the determination under par. (a),
21 the department shall determine how much the lowest individual income tax rates
22 rate under s. 71.06 (1q) (a) and (2) (i) 1. and (j) 1. may be reduced for the taxable year
23 ending on December 31, 2019, in order to decrease individual income tax revenue by
24 the amount determined under par. (a). ~~For purposes of this paragraph, the tax rate~~
25 ~~reductions shall be calculated in proportion to the share of gross tax attributable to~~

1 each of the tax brackets under s. 71.06 in effect during the most recently completed
2 taxable year.

3 **SECTION 1024.** 73.03 (73) (f) 1. of the statutes is amended to read:

4 73.03 (73) (f) 1. Subject to subd. 2., for taxable years beginning after December
5 31, 2020, the department shall make the pilot program described under par. (b)
6 permanent and applicable to all eligible claimants of the earned income tax credit
7 under s. 71.07 (9e) ~~(aj)~~ (ak), based on the specifications described under pars. (b) and
8 (c) 2.

9 **SECTION 1025.** 74.09 (3) (gb) of the statutes is created to read:

10 74.09 (3) (gb) 1. Include information from the school district where the property
11 is located regarding the amount of any gross reduction in state aid to the district
12 under ss. 115.7915 (4m), 118.60 (4d), and 121.08 (4) (b) in the previous year and the
13 current year and the percentage change between those years, except that this
14 paragraph does not apply in any year in which such a reduction does not occur.

15 2. In addition to the information provided under subd. 1., include the following
16 insert in substantially similar form:

17 “The gross reduction in state aid to your school district in the (current year)
18 is \$ as a result of pupils enrolled in the (statewide choice program) (Racine
19 choice program) (Milwaukee choice program) or as a result of payments to (a
20 private school) under the special needs scholarship program. Your school district had
21 the option to increase property taxes to replace this aid reduction.”

22 **SECTION 1026.** 76.636 (1) (e) 3. of the statutes is amended to read:

23 76.636 (1) (e) 3. A person who is employed in a trial job, as defined in s. 49.141
24 ~~(1) (n), 2011 stats., or in a trial employment match program job~~ subsidized
25 employment placement, as defined in s. 49.141 (1) ~~(n)~~ (Lm).

1 **SECTION 1027.** 77.25 (7) of the statutes is amended to read:

2 77.25 (7) By a subsidiary corporation to its parent corporation for no
3 consideration, nominal consideration or in sole consideration of cancellation,
4 surrender or transfer of capital stock between parent and subsidiary corporation.

5 **SECTION 1028.** 77.25 (10) of the statutes is amended to read:

6 77.25 (10) Solely in order to provide or release security for a debt or obligation,
7 if the debt or obligation was not incurred as the result of a conveyance.

8 **SECTION 1029.** 77.51 (7i) of the statutes is created to read:

9 77.51 (7i) (a) "Marketplace provider" means a person who contracts with a
10 seller to facilitate for consideration, regardless of whether deducted as fees from the
11 transaction, the sale of the seller's products through a physical or electronic
12 marketplace operated by the person and who meets all of the following conditions:

13 1. The person engages, directly or through one or more affiliated persons, in any
14 of the following activities:

15 a. Transmitting or communicating the offer or acceptance between the seller
16 and a buyer.

17 b. Owning or operating the technology or the electronic or physical
18 infrastructure that brings together the seller and a buyer.

19 c. Providing a virtual currency that a buyer is allowed or required to use to
20 purchase a product from the seller.

21 d. Developing software or conducting research and development for an activity
22 described in par. (b) that is directly related to a physical or electronic marketplace
23 operated by the person or an affiliated person.

24 2. The person engages in any of the following activities with respect to the
25 seller's products:

- 1 a. Providing payment processing services.
- 2 b. Providing fulfillment or storage services.
- 3 c. Listing products for sale.
- 4 d. Setting prices.
- 5 e. Branding sales as those of the marketplace provider.
- 6 f. Taking orders.
- 7 g. Advertising or promotion.
- 8 h. Accepting or assisting with returns or exchanges or providing other types of
- 9 customer service.

10 (b) For purposes of this subsection, “affiliated person” means a person who,
11 with respect to another person, meets any of the following conditions:

12 1. The person has an ownership interest of more than 5 percent, whether direct
13 or indirect, in the other person.

14 2. The person is related to the other person because a 3rd person, or group of
15 3rd persons who are affiliated persons with respect to each other, holds an ownership
16 interest of more than 5 percent, whether direct or indirect, in the related person.

17 **SECTION 1030.** 77.51 (7j) of the statutes is created to read:

18 77.51 (7j) “Marketplace seller” means a seller who sells products through a
19 physical or electronic marketplace operated by a marketplace provider, regardless
20 of whether the seller is required to be registered with the department.

21 **SECTION 1031.** 77.51 (11d) of the statutes is amended to read:

22 77.51 (11d) For purposes of subs. (1ag), (1f), (3pf), (7i), (7j), and (9p) and ss.
23 77.52 (20) and (21), 77.522, 77.54 (9g), (51), (52), and (60), and 77.59 (5r), “product”
24 includes tangible personal property, and items, property, and goods under s. 77.52
25 (1) (b), (c), and (d), and services.

1 **SECTION 1032.** 77.51 (13) (intro.) of the statutes is amended to read:

2 77.51 (13) (intro.) ~~Except as provided in sub. (13b), “retailer”~~ “Retailer”
3 includes:

4 **SECTION 1033.** 77.51 (13) (a) of the statutes is amended to read:

5 77.51 (13) (a) Every seller who makes any sale on the seller’s own behalf or on
6 behalf of another person, regardless of whether the sale is mercantile in nature, of
7 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
8 (d), or a service specified under s. 77.52 (2) (a).

9 **SECTION 1034.** 77.51 (13) (c) of the statutes is amended to read:

10 77.51 (13) (c) When the department determines that it is necessary for the
11 efficient administration of this subchapter to regard any salespersons,
12 representatives, peddlers, marketplace providers, or canvassers as the agents of the
13 dealers, distributors, marketplace sellers, supervisors, or employers under whom
14 they operate or from whom they obtain the tangible personal property or items,
15 property, or goods under s. 77.52 (1) (b), (c), or (d) sold by them, irrespective of
16 whether they are making the sales on their own behalf or on behalf of such dealers,
17 distributors, marketplace sellers, supervisors, or employers, the department may so
18 regard them and may regard the dealers, distributors, marketplace sellers,
19 supervisors, or employers as retailers for purposes of this subchapter.

20 **SECTION 1035.** 77.51 (13) (p) 7. of the statutes is created to read:

21 77.51 (13) (p) 7. Whether the seller sells on the seller’s own behalf or on behalf
22 of another person.

23 **SECTION 1036.** 77.51 (13) (q) of the statutes is created to read:

24 77.51 (13) (q) A marketplace provider who facilitates, on behalf of a
25 marketplace seller, sales that are sourced to this state as provided under s. 77.522