

1 nonresidential property converted into housing if the property has been previously
2 used for housing.

3 **SECTION 891.** 71.07 (9m) (cn) (intro.) of the statutes is amended to read:

4 71.07 (9m) (cn) (intro.) For taxable years beginning after December 31, 2014,
5 and before January 1, 2019, the Wisconsin Economic Development Corporation shall
6 certify a person to claim a credit under par. (a) 3. if all of the following apply:

7 **SECTION 892.** 71.07 (9m) (e) of the statutes is renumbered 71.07 (9m) (e) 1.

8 **SECTION 893.** 71.07 (9m) (e) 2. of the statutes is created to read:

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

13 **SECTION 894.** 71.10 (4) (cs) of the statutes is created to read:

14 71.10 (4) (cs) Additional household and dependent care expenses tax credit
15 under s. 71.07 (8m).

16 **SECTION 895.** 71.10 (4) (gye) of the statutes is created to read:

17 71.10 (4) (gye) Family and individual reinvestment credit under s. 71.07 (5me).

18 **SECTION 896.** 71.10 (4) (i) of the statutes is amended to read:

19 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
20 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and
21 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief
22 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.
23 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment
24 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.
25 71.07 (3m), food processing plant and food warehouse investment credit under s.

SECTION 896

1 71.07 (3rn), business development credit under s. 71.07 (3y), research credit under
2 s. 71.07 (4k) (e) 2. a. and am., film production services credit under s. 71.07 (5f), film
3 production company investment credit under s. 71.07 (5h), veterans and surviving
4 spouses property tax credit under s. 71.07 (6e), enterprise zone jobs credit under s.
5 71.07 (3w), electronics and information technology manufacturing zone credit under
6 s. 71.07 (3wm), beginning farmer and farm asset owner tax credit under s. 71.07 (8r),
7 earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09,
8 and taxes withheld under subch. X.

9 **SECTION 897.** 71.10 (4) (k) of the statutes is created to read:

10 71.10 (4) (k) Any amount computed under s. 71.83 (1) (ch).

11 **SECTION 898.** 71.10 (10) of the statutes is created to read:

12 71.10 (10) FIRST-TIME HOME BUYERS SAVINGS ACCOUNTS. (a) *Definitions.* In this
13 subsection:

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

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

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

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

22 5. "Financial institution" means any bank, trust company, savings institution,
23 savings bank, savings and loan association, industrial loan association, consumer
24 finance company, credit union, or any benefit association, insurance company, safe

1 deposit company, money market mutual fund, or similar entity authorized to do
2 business in this state.

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

7 7. "Single-family residence" means a residence intended for occupation by a
8 single family unit that is owned and occupied by a beneficiary as his or her principal
9 residence, including a manufactured home, residential trailer, mobile home,
10 condominium unit, or cooperative.

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

14 2. The account holder shall designate a beneficiary when the account is created.
15 The account holder may designate himself or herself as the beneficiary. An account
16 holder may change the beneficiary at any time. No account created under this
17 subsection may have more than one beneficiary at any one time.

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

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

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

SECTION 898

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

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

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

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

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

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

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

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

23 4. An account holder may withdraw funds from the account with no penalty due
24 under s. 71.83 (1) (ch) and no responsibility to make an addition under s. 71.05 (6)
25 (a) 29., if he or she immediately transfers the funds to a different financial institution

1 and deposits the funds into an account created under this subsection at that financial
2 institution.

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

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

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

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

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

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

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

20 **SECTION 899.** 71.21 (4) (a) of the statutes is amended to read:

21 71.21 (4) (a) The amount of the credits computed by a partnership under s.
22 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w),
23 (3wm), (3y), (4k), (4n), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8b), (8r),
24 and (10) and passed through to partners shall be added to the partnership's income.

25 **SECTION 900.** 71.21 (7) of the statutes is created to read:

SECTION 900

1 71.21 (7) A deduction under the Internal Revenue Code for moving expenses,
2 as defined in s. 71.01 (8j), paid or incurred during the taxable year to move the
3 taxpayer's Wisconsin business operation, in whole or in part, to a location outside the
4 state or to move the taxpayer's business operation outside the United States is not
5 allowed.

6 **SECTION 901.** 71.22 (1e) of the statutes is repealed.

7 **SECTION 902.** 71.22 (4) (c) of the statutes is repealed.

8 **SECTION 903.** 71.22 (4) (j) 3. m. of the statutes is created to read:

9 71.22 (4) (j) 3. m. Sections 101 (m), (n), (o), (p), and (q) and 104 (a) of division
10 U of P.L. 115-141.

11 **SECTION 904.** 71.22 (4) (k) 3. of the statutes is amended to read:

12 71.22 (4) (k) 3. For purposes of this paragraph, "Internal Revenue Code" does
13 not include amendments to the federal Internal Revenue Code enacted after
14 December 31, 2016, except that "Internal Revenue Code" includes sections 11024,
15 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

16 **SECTION 905.** 71.22 (4) (L) 1. of the statutes is amended to read:

17 71.22 (4) (L) 1. ~~For taxable years beginning after December 31, 2017, and~~
18 before January 1, 2019, "Internal Revenue Code" means the federal Internal
19 Revenue Code as amended to December 31, 2017, except as provided in subds. 2. and
20 3. and subject to subd. 4., and except as provided in sub. (4m) and ss. 71.26 (2) (b) and
21 (3), 71.34 (1g), 71.42 (2), and 71.98.

22 **SECTION 906.** 71.22 (4) (L) 4. of the statutes is amended to read:

23 71.22 (4) (L) 4. For purposes of this paragraph, the provisions of federal public
24 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
25 paragraph, apply for Wisconsin purposes at the same time as for federal purposes,

1 except that changes made by P.L. 115-63 and sections 11026, 11027, 11028, 13207,
2 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L. 115-97
3 first apply for taxable years beginning after December 31, 2017.

4 **SECTION 907.** 71.22 (4) (m) of the statutes is created to read:

5 71.22 (4) (m) 1. For taxable years beginning after December 31, 2018, "Internal
6 Revenue Code" means the federal Internal Revenue Code as amended to December
7 31, 2018, except as provided in subds. 2. and 3. and subject to subd. 4., and except
8 as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g), 71.42 (2), and 71.98.

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

SECTION 907

1 40304, 40305, 40306, and 40412 of P.L. 115-123; section 101 (c) of division T of P.L.
2 115-141; and sections 101 (d) and (e), 102, 201 to 207, 301, 302, and 401 (a) (47) and
3 (195), (b) (13), (17), (22) and (30), and (d) (1) (D) (v), (vi), and (xiii) and (xvii) (II) of
4 division U of P.L. 115-141.

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

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

15 **SECTION 908.** 71.22 (4m) (c) of the statutes is repealed.

16 **SECTION 909.** 71.22 (4m) (j) 3. m. of the statutes is created to read:

17 71.22 (4m) (j) 3. m. Sections 101 (m), (n), (o), (p), and (q) and 104 (a) of division
18 U of P.L. 115-141.

19 **SECTION 910.** 71.22 (4m) (k) 3. of the statutes is amended to read:

20 71.22 (4m) (k) 3. For purposes of this paragraph, "Internal Revenue Code" does
21 not include amendments to the federal Internal Revenue Code enacted after
22 December 31, 2016, except that "Internal Revenue Code" includes sections 11024,
23 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

24 **SECTION 911.** 71.22 (4m) (L) 1. of the statutes is amended to read:

1 71.22 (4m) (L) 1. For taxable years beginning after December 31, 2017, and
2 before January 1, 2019, "Internal Revenue Code", for corporations that are subject
3 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
4 Internal Revenue Code as amended to December 31, 2017, except as provided in
5 subds. 2. and 3. and s. 71.98 and subject to subd. 4.

6 **SECTION 912.** 71.22 (4m) (L) 4. of the statutes is amended to read:

7 71.22 (4m) (L) 4. For purposes of this paragraph, the provisions of federal
8 public laws that directly or indirectly affect the Internal Revenue Code, as defined
9 in this paragraph, apply for Wisconsin purposes at the same time as for federal
10 purposes, except that changes made by P.L. 115-63 and sections 11026, 11027, 11028,
11 13207, 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L.
12 115-97 first apply for taxable years beginning after December 31, 2017.

13 **SECTION 913.** 71.22 (4m) (m) of the statutes is created to read:

14 71.22 (4m) (m) 1. For taxable years beginning after December 31, 2018,
15 "Internal Revenue Code," for corporations that are subject to a tax on unrelated
16 business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as
17 amended to December 31, 2018, except as provided in subds. 2. and 3. and s. 71.98
18 and subject to subd. 4.

19 2. For purposes of this paragraph, "Internal Revenue Code" does not include
20 the following provisions of federal public laws for taxable years beginning after
21 December 31, 2018: section 13113 of P.L. 103-66; sections 1, 3, 4, and 5 of P.L.
22 106-519; sections 101, 102, and 422 of P.L. 108-357; sections 1310 and 1351 of P.L.
23 109-58; section 11146 of P.L. 109-59; section 403 (q) of P.L. 109-135; section 513 of
24 P.L. 109-222; sections 104 and 307 of P.L. 109-432; sections 8233 and 8235 of P.L.
25 110-28; section 11 (e) and (g) of P.L. 110-172; section 301 of P.L. 110-245; section

SECTION 913

1 15351 of P.L. 110-246; section 302 of division A, section 401 of division B, and sections
2 312, 322, 502 (c), 707, and 801 of division C of P.L. 110-343; sections 1232, 1241, 1251,
3 1501, and 1502 of division B of P.L. 111-5; sections 211, 212, 213, 214, and 216 of P.L.
4 111-226; sections 2011 and 2122 of P.L. 111-240; sections 753, 754, and 760 of P.L.
5 111-312; section 1106 of P.L. 112-95; sections 104, 318, 322, 323, 324, 326, 327, and
6 411 of P.L. 112-240; P.L. 114-7; section 1101 of P.L. 114-74; section 305 of division
7 P of P.L. 114-113; sections 123, 125 to 128, 143, 144, 151 to 153, 165 to 167, 169 to
8 171, 189, 191, 307, 326, and 411 of division Q of P.L. 114-113; sections 11011, 13201
9 (a) to (e) and (g), 13801, 14101, 14102, 14103, 14201, 14202, 14211, 14212, 14213,
10 14214, 14215, 14221, 14222, 14301, 14302, 14304, and 14401 of P.L. 115-97; sections
11 40304, 40305, 40306, and 40412 of P.L. 115-123; section 101 (c) of division T of P.L.
12 115-141; and sections 101 (d) and (e), 102, 201 to 207, 301, 302, and 401 (a) (47) and
13 (195), (b) (13), (17), (22) and (30), and (d) (1) (D) (v), (vi), and (xiii) and (xvii) (II) of
14 division U of P.L. 115-141.

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

17 4. For purposes of this paragraph, the provisions of federal public laws that
18 directly or indirectly affect the Internal Revenue Code, as defined in this paragraph,
19 apply for Wisconsin purposes at the same time as for federal purposes, except that
20 changes made by sections 11012, 13221, 13301, 13304 (a) and (b), 13531, and 13601
21 of P.L. 115-97, 20101, 20102, 20104, 20201, 40201, 40202, 40203, 40308, 40309,
22 40311, 40414, 41101, 41107, 41115, and 41116 of P.L. 115-123 and section 101 (a), (b),
23 and (h) of division U of P.L. 115-141 apply for taxable years beginning after
24 December 31, 2018.

25 **SECTION 914.** 71.22 (5g) of the statutes is created to read:

1 71.22 (5g) For purposes of subs. (4) (b) and (4m) (b), 2013 stats., "Internal
2 Revenue Code" includes section 109 of division U of P.L. 115-141.

3 **SECTION 915.** 71.25 (9) (dh) 3. of the statutes is amended to read:

4 71.25 (9) (dh) 3. ~~Except as provided in subd. 4. if~~ If the purchaser of a service
5 receives the benefit of a service in more than one state, the gross receipts from the
6 performance of the service are included in the numerator of the sales factor according
7 to the portion of the service received in this state.

8 **SECTION 916.** 71.25 (9) (dh) 4. of the statutes is repealed.

9 **SECTION 917.** 71.25 (9) (dj) 1. (intro.) of the statutes is renumbered 71.25 (9)
10 (dj) (intro.) and amended to read:

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

17 **SECTION 918.** 71.25 (9) (dj) 1. a. of the statutes is renumbered 71.25 (9) (dj) 1n.
18 and amended to read:

19 71.25 (9) (dj) 1n. The purchaser or licensee uses the intangible property in the
20 operation of a trade or business at a location in this state. ~~Except as provided in subd.~~
21 ~~2m., if~~ If the purchaser or licensee uses the intangible property in the operation of
22 a trade or business in more than one state, the gross royalties and other gross
23 receipts from the use of the intangible property shall be divided between those states
24 having jurisdiction to impose an income tax on the taxpayer in proportion to the use
25 of the intangible property in those states.

SECTION 919

1 **SECTION 919.** 71.25 (9) (dj) 1. b. of the statutes is renumbered 71.25 (9) (dj) 2n.

2 **SECTION 920.** 71.25 (9) (dj) 1. c. of the statutes is renumbered 71.25 (9) (dj) 3n.

3 **SECTION 921.** 71.25 (9) (dj) 2m. of the statutes is repealed.

4 **SECTION 922.** 71.25 (9) (g) of the statutes is repealed.

5 **SECTION 923.** 71.26 (1m) (o) of the statutes is created to read:

6 71.26 (1m) (o) Those issued by the Wisconsin Health and Educational Facilities
7 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
8 \$35,000,000 or less, and to the extent that the interest income received is not
9 otherwise exempt under this subsection.

10 **SECTION 924.** 71.26 (2) (a) 4. of the statutes is amended to read:

11 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dm),
12 (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (3wm), (3y), (5e),
13 (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8b), (8r), (9s), and (10) and not passed
14 through by a partnership, limited liability company, or tax-option corporation that
15 has added that amount to the partnership's, limited liability company's, or
16 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

17 **SECTION 925.** 71.26 (2) (b) 3. of the statutes is repealed.

18 **SECTION 926.** 71.26 (2) (b) 10. d. of the statutes is amended to read:

19 71.26 (2) (b) 10. d. For purposes of subd. 10. a., "Internal Revenue Code" does
20 not include amendments to the federal Internal Revenue Code enacted after
21 December 31, 2013, except that "Internal Revenue Code" includes the provisions of
22 P.L. 113-97, P.L. 113-159, P.L. 113-168, section 302901 of P.L. 113-287, sections 171,
23 172, and 201 to 221 of P.L. 113-295, sections 102, 105, and 207 of division B of P.L.
24 113-295, P.L. 114-14, P.L. 114-26, section 2004 of P.L. 114-41, sections 503 and 504
25 of P.L. 114-74, sections 103, 104, 124, 168, 184, 185, 190, 204, 303, 306, 336, and 341

1 of division Q of P.L. 114-113, and P.L. 114-239, and sections 101 (m), (n), (o), (p), and
2 (q) and 104 (a) of division U of P.L. 115-141.

3 **SECTION 927.** 71.26 (2) (b) 11. d. of the statutes is amended to read:

4 71.26 (2) (b) 11. d. For purposes of subd. 11. a., “Internal Revenue Code” does
5 not include amendments to the federal Internal Revenue Code enacted after
6 December 31, 2016, except that “Internal Revenue Code” includes sections 11024,
7 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

8 **SECTION 928.** 71.26 (2) (b) 12. a. of the statutes is amended to read:

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

18 **SECTION 929.** 71.26 (2) (b) 12. e. of the statutes is amended to read:

19 71.26 (2) (b) 12. e. For purposes of subd. 12. a., the provisions of federal public
20 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
21 subdivision, apply for Wisconsin purposes at the same time as for federal purposes,
22 except that changes made by P.L. 115-63 and sections 11026, 11027, 11028, 13207,
23 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L. 115-97
24 first apply for taxable years beginning after December 31, 2017.

25 **SECTION 930.** 71.26 (2) (b) 13. of the statutes is created to read:

SECTION 930

1 71.26 (2) (b) 13. a. For taxable years beginning after December 31, 2018, for a
2 corporation, conduit, or common law trust which qualifies as a regulated investment
3 company, real estate mortgage investment conduit, real estate investment trust, or
4 financial asset securitization investment trust under the Internal Revenue Code,
5 “net income” means the federal regulated investment company taxable income,
6 federal real estate mortgage investment conduit taxable income, federal real estate
7 investment trust or financial asset securitization investment trust taxable income
8 of the corporation, conduit, or trust as determined under the Internal Revenue Code.

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

12 c. For purposes of subd. 13. a., “Internal Revenue Code” does not include the
13 following provisions of federal public laws for taxable years beginning after
14 December 31, 2018: section 13113 of P.L. 103-66; sections 1, 3, 4, and 5 of P.L.
15 106-519; sections 101, 102, and 422 of P.L. 108-357; sections 1310 and 1351 of P.L.
16 109-58; section 11146 of P.L. 109-59; section 403 (q) of P.L. 109-135; section 513 of
17 P.L. 109-222; sections 104 and 307 of P.L. 109-432; sections 8233 and 8235 of P.L.
18 110-28; section 11 (e) and (g) of P.L. 110-172; section 301 of P.L. 110-245; section
19 15351 of P.L. 110-246; section 302 of division A, section 401 of division B, and sections
20 312, 322, 502 (c), 707, and 801 of division C of P.L. 110-343; sections 1232, 1241, 1251,
21 1501, and 1502 of division B of P.L. 111-5; sections 211, 212, 213, 214, and 216 of P.L.
22 111-226; sections 2011 and 2122 of P.L. 111-240; sections 753, 754, and 760 of P.L.
23 111-312; section 1106 of P.L. 112-95; sections 104, 318, 322, 323, 324, 326, 327, and
24 411 of P.L. 112-240; P.L. 114-7; section 1101 of P.L. 114-74; section 305 of division
25 P of P.L. 114-113; sections 123, 125 to 128, 143, 144, 151 to 153, 165 to 167, 169 to

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

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

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

18 **SECTION 931.** 71.26 (2) (b) 14. of the statutes is created to read:

19 71.26 (2) (b) 14. For purposes of par. (b) 2., 2013 stats., "Internal Revenue Code"
20 includes section 109 of division U of P.L. 115-141.

21 **SECTION 932.** 71.26 (3) (e) 4. of the statutes is created to read:

22 71.26 (3) (e) 4. So that moving expenses, as defined in s. 71.01 (8j), paid or
23 incurred during the taxable year to move the taxpayer's Wisconsin business
24 operation, in whole or in part, to a location outside the state or to move the taxpayer's

1 business operation outside the United States may not be deducted as provided under
2 the Internal Revenue Code.

3 **SECTION 933.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

4 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides
5 in an area designated by the federal government as an economic revitalization area,
6 a person who is employed in an unsubsidized job but meets the eligibility
7 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
8 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or
9 in a ~~trial employment match program job~~ subsidized employment placement, as
10 defined in s. 49.141 (1) ~~(n)~~ (Lm), a person who is eligible for child care assistance
11 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
12 disadvantaged youth, an economically disadvantaged veteran, a supplemental
13 security income recipient, a general assistance recipient, an economically
14 disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC
15 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp
16 recipient, if the person has been certified in the manner under s. 71.28 (1dj) (am) 3.,
17 2013 stats., by a designated local agency, as defined in s. 71.28 (1dj) (am) 2., 2013
18 stats.

19 **SECTION 934.** 71.28 (4) (k) 1. of the statutes is amended to read:

20 71.28 (4) (k) 1. The For taxable years beginning after December 31, 2017, and
21 before January 1, 2020, the amount of the claim not used to offset the tax due, not
22 to exceed 10 percent of the allowable amount of the claim under par. (ad) 4., 5., or 6.,
23 shall be certified by the department of revenue to the department of administration
24 for payment by check, share draft, or other draft drawn from the appropriation

1 account under s. 20.835 (2) (d). A person who is certified to claim tax benefits under
2 s. 238.396 (3) or (3m) is not eligible to receive the payment under this subdivision.

3 **SECTION 935.** 71.28 (4) (k) 1m. of the statutes is created to read:

4 71.28 (4) (k) 1m. For taxable years beginning after December 31, 2019, the
5 amount of the claim not used to offset the tax due, not to exceed 20 percent of the
6 allowable amount of the claim under par. (ad) 4., 5., or 6., shall be certified by the
7 department of revenue to the department of administration for payment from the
8 appropriation account under s. 20.835 (2) (d). A person who is certified to claim tax
9 benefits under s. 238.396 (3) or (3m) is not eligible to receive the payment under this
10 subdivision.

11 **SECTION 936.** 71.28 (4) (k) 2. of the statutes is amended to read:

12 71.28 (4) (k) 2. The amount of the claim not used to offset the tax due and not
13 certified for payment under subd. 1. or 1m. may be carried forward and credited
14 against Wisconsin income or franchise taxes otherwise due for the following 15
15 taxable years to the extent not offset by these taxes otherwise due in all intervening
16 years between the year in which the expense was incurred and the year in which the
17 carry-forward credit is claimed.

18 **SECTION 937.** 71.28 (5n) (d) 2. of the statutes is amended to read:

19 71.28 (5n) (d) 2. Except as provided in ~~subd.~~ subds. 2m. and 3., for purposes of
20 determining a claimant's eligible qualified production activities income under this
21 subsection, the claimant shall multiply the claimant's qualified production activities
22 income from property manufactured by the claimant by the manufacturing property
23 factor and qualified production activities income from property produced, grown, or
24 extracted by the claimant by the agriculture property factor.

25 **SECTION 938.** 71.28 (5n) (d) 2m. of the statutes is created to read:

SECTION 938

1 71.28 (5n) (d) 2m. Except as provided in subd. 3., for taxable years beginning
2 after December 31, 2018, for purposes of determining a claimant's eligible qualified
3 production activities income from manufacturing under this subsection, the
4 claimant shall multiply the claimant's qualified production activities income, not
5 exceeding \$300,000, from property manufactured by the claimant by the
6 manufacturing property factor.

7 **SECTION 939.** 71.28 (5n) (d) 3. a. of the statutes is amended to read:

8 71.28 (5n) (d) 3. a. The eligible qualified production activities income
9 determined under subd. 2. or 2m.

10 **SECTION 940.** 71.28 (6) (a) 3. of the statutes is amended to read:

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

25 **SECTION 941.** 71.28 (6) (cn) (intro.) of the statutes is amended to read:

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

4 **SECTION 942.** 71.28 (6) (e) of the statutes is renumbered 71.28 (6) (e) 1.

5 **SECTION 943.** 71.28 (6) (e) 2. of the statutes is created to read:

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

10 **SECTION 944.** 71.30 (3) (f) of the statutes is amended to read:

11 71.30 (3) (f) The total of farmland preservation credit under subch. IX,
12 farmland tax relief credit under s. 71.28 (2m), dairy manufacturing facility
13 investment credit under s. 71.28 (3p), jobs credit under s. 71.28 (3q), meat processing
14 facility investment credit under s. 71.28 (3r), woody biomass harvesting and
15 processing credit under s. 71.28 (3rm), food processing plant and food warehouse
16 investment credit under s. 71.28 (3rn), enterprise zone jobs credit under s. 71.28
17 (3w), electronics and information technology manufacturing zone credit under s.
18 71.28 (3wm), business development credit under s. 71.28 (3y), research credit under
19 s. 71.28 (4) (k) 1. and 1m., film production services credit under s. 71.28 (5f), film
20 production company investment credit under s. 71.28 (5h), beginning farmer and
21 farm asset owner tax credit under s. 71.28 (8r), and estimated tax payments under
22 s. 71.29.

23 **SECTION 945.** 71.34 (1g) (c) of the statutes is repealed.

24 **SECTION 946.** 71.34 (1g) (j) 3. m. of the statutes is created to read:

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

3 **SECTION 947.** 71.34 (1g) (k) 3. of the statutes is amended to read:

4 71.34 (1g) (k) 3. For purposes of this paragraph, “Internal Revenue Code” does
5 not include amendments to the federal Internal Revenue Code enacted after
6 December 31, 2016, except that “Internal Revenue Code” includes sections 11024,
7 11025, and 13543 of P.L. 115-97 and sections 40307 and 40413 of P.L. 115-123.

8 **SECTION 948.** 71.34 (1g) (L) 1. of the statutes is amended to read:

9 71.34 (1g) (L) 1. For taxable years beginning after December 31, 2017, and
10 before January 1, 2019, for tax option corporations, “Internal Revenue Code” means
11 the federal Internal Revenue Code as amended to December 31, 2017, except as
12 provided in subds. 2., 3., and 5. and s. 71.98 and subject to subd. 4.

13 **SECTION 949.** 71.34 (1g) (L) 4. of the statutes is amended to read:

14 71.34 (1g) (L) 4. For purposes of this paragraph, the provisions of federal public
15 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
16 paragraph, 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 950.** 71.34 (1g) (m) of the statutes is created to read:

21 71.34 (1g) (m) 1. For taxable years beginning after December 31, 2018, for tax
22 option corporations, “Internal Revenue Code” means the federal Internal Revenue
23 Code as amended to December 31, 2018, except as provided in subds. 2., 3., and 5. and
24 s. 71.98 and subject to subd. 4.

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

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

24 4. For purposes of this paragraph, the provisions of federal public laws that
25 directly or indirectly affect the Internal Revenue Code, as defined in this paragraph,

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

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

11 **SECTION 951.** 71.34 (1k) (g) of the statutes is amended to read:

12 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option
13 corporation under s. 71.28 (1dm), (1dx), (1dy), (3), (3g), (3h), (3n), (3p), (3q), (3r),
14 (3rm), (3rn), (3t), (3w), (3wm), (3y), (4), (5), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
15 (5rm), (6n), (8b), (8r), and (10) and passed through to shareholders.

16 **SECTION 952.** 71.34 (1k) (o) of the statutes is created to read:

17 71.34 (1k) (o) ~~An addition shall be made for any amount deducted under the~~
18 Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid or
19 incurred during the taxable year to move the taxpayer's Wisconsin business
20 operation, in whole or in part, to a location outside the state or to move the taxpayer's
21 business operation outside the United States.

22 **SECTION 953.** 71.34 (1u) of the statutes is created to read:

23 71.34 (1u) For purposes of sub. (1g) (b), 2013 stats., "Internal Revenue Code"
24 includes section 109 of division U of P.L. 115-141.

25 **SECTION 954.** 71.42 (2) (c) of the statutes is repealed.

1 **SECTION 955.** 71.42 (2) (j) 3. m. of the statutes is created to read:

2 71.42 (2) (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 956.** 71.42 (2) (k) 3. of the statutes is amended to read:

5 71.42 (2) (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 957.** 71.42 (2) (L) 1. of the statutes is amended to read:

10 71.42 (2) (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. to
13 4. and s. 71.98 and subject to subd. 5.

14 **SECTION 958.** 71.42 (2) (L) 5. of the statutes is amended to read:

15 71.42 (2) (L) 5. For purposes of this paragraph, the provisions of federal public
16 laws that directly or indirectly affect the Internal Revenue Code, as defined in this
17 paragraph, apply for Wisconsin purposes at the same time as for federal purposes,
18 except that changes made by P.L. 115-63 and sections 11026, 11027, 11028, 13207,
19 13306, 13307, 13308, 13311, 13312, 13501, 13705, 13821, and 13823 of P.L. 115-97
20 first apply for taxable years beginning after December 31, 2017.

21 **SECTION 959.** 71.42 (2) (m) of the statutes is created to read:

22 71.42 (2) (m) 1. For taxable years beginning after December 31, 2018, “Internal
23 Revenue Code” means the federal Internal Revenue Code as amended to December
24 31, 2018, except as provided in subds. 2. to 4. and s. 71.98 and subject to subd. 5.

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

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

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

1 5. 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 960.** 71.42 (2p) of the statutes is created to read:

10 71.42 (2p) For purposes of sub. (2) (b), 2013 stats., "Internal Revenue Code"
11 includes section 109 of division U of P.L. 115-141.

12 **SECTION 961.** 71.45 (1t) (n) of the statutes is created to read:

13 71.45 (1t) (n) Those issued by the Wisconsin Health and Educational Facilities
14 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
15 \$35,000,000 or less, and to the extent that the interest income received is not
16 otherwise exempt under this subsection.

17 **SECTION 962.** 71.45 (2) (a) 10. of the statutes is amended to read:

18 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
19 computed under s. 71.47 (1dm) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),
20 (3w), (3y), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8b), (8r), (9s), and (10)
21 and not passed through by a partnership, limited liability company, or tax-option
22 corporation that has added that amount to the partnership's, limited liability
23 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and
24 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

25 **SECTION 963.** 71.45 (2) (a) 20. of the statutes is created to read:

1 71.45 (2) (a) 20. By adding to federal taxable income any amount deducted
2 under the Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid
3 or incurred during the taxable year to move the taxpayer's Wisconsin business
4 operation, in whole or in part, to a location outside the state or to move the taxpayer's
5 business operation outside the United States.

6 **SECTION 964.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

7 71.47 (1dx) (a) 5. "Member of a targeted group" means a person who resides
8 in an area designated by the federal government as an economic revitalization area,
9 a person who is employed in an unsubsidized job but meets the eligibility
10 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
11 a person who is ~~employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or~~
12 ~~in a trial employment match program job~~ subsidized employment placement, as
13 defined in s. 49.141 (1) ~~(n)~~ (Lm), a person who is eligible for child care assistance
14 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
15 disadvantaged youth, an economically disadvantaged veteran, a supplemental
16 security income recipient, a general assistance recipient, an economically
17 disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC
18 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp
19 recipient, if the person has been certified in the manner under s. 71.47 (1dj) (am) 3.,
20 2013 stats., by a designated local agency, as defined in s. 71.47 (1dj) (am) 2., 2013
21 stats.

22 **SECTION 965.** 71.47 (4) (k) 1. of the statutes is amended to read:

23 71.47 (4) (k) 1. The For taxable years beginning after December 31, 2017, and
24 before January 1, 2020, the amount of the claim not used to offset the tax due, not
25 to exceed 10 percent of the allowable amount of the claim under par. (ad) 4., 5., or 6.,

1 shall be certified by the department of revenue to the department of administration
2 for payment ~~by check, share draft, or other draft drawn~~ from the appropriation
3 account under s. 20.835 (2) (d). A person who is certified to claim tax benefits under
4 s. 238.396 (3) or (3m) is not eligible to receive the payment under this subdivision.

5 **SECTION 966.** 71.47 (4) (k) 1m. of the statutes is created to read:

6 71.47 (4) (k) 1m. For taxable years beginning after December 31, 2019, the
7 amount of the claim not used to offset the tax due, not to exceed 20 percent of the
8 allowable amount of the claim under par. (ad) 4., 5., or 6., shall be certified by the
9 department of revenue to the department of administration for payment from the
10 appropriation account under s. 20.835 (2) (d). A person who is certified to claim tax
11 benefits under s. 238.396 (3) or (3m) is not eligible to receive the payment under this
12 subdivision.

13 **SECTION 967.** 71.47 (4) (k) 2. of the statutes is amended to read:

14 71.47 (4) (k) 2. The amount of the claim not used to offset the tax due and not
15 certified for payment under subd. 1. or 1m. may be carried forward and credited
16 against Wisconsin income or franchise taxes otherwise due for the following 15
17 taxable years to the extent not offset by these taxes otherwise due in all intervening
18 years between the year in which the expense was incurred and the year in which the
19 carry-forward credit is claimed.

20 **SECTION 968.** 71.47 (6) (a) 3. of the statutes is amended to read:

21 71.47 (6) (a) 3. For taxable years beginning after December 31, 2013, and before
22 January 1, 2019, any person may claim as a credit against taxes otherwise due under
23 s. 71.43, up to the amount of those taxes, an amount equal to 20 percent of the costs
24 of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the Internal
25 Revenue Code, for qualified rehabilitated buildings, as defined in section 47 (c) (1)

1 of the Internal Revenue Code, on property located in this state, if the cost of the
2 person's qualified rehabilitation expenditures is at least \$50,000 and the
3 rehabilitated property is placed in service after December 31, 2013, and regardless
4 of whether the rehabilitated property is used for multiple or revenue-providing
5 purposes. No credit may be claimed under this subdivision for property listed as a
6 contributing building in the state register of historic places or in the national register
7 of historic places and no credit may be claimed under this subdivision for nonhistoric,
8 nonresidential property converted into housing if the property has been previously
9 used for housing.

10 **SECTION 969.** 71.47 (6) (cn) (intro.) of the statutes is amended to read:

11 71.47 (6) (cn) (intro.) For taxable years beginning after December 31, 2014, and
12 before January 1, 2019, the Wisconsin Economic Development Corporation shall
13 certify a person to claim a credit under par. (a) 3. if all of the following apply:

14 **SECTION 970.** 71.47 (6) (e) of the statutes is renumbered 71.47 (6) (e) 1.

15 **SECTION 971.** 71.47 (6) (e) 2. of the statutes is created to read:

16 71.47 (6) (e) 2. No credit may be claimed under par. (a) 3. for taxable years
17 beginning after December 31, 2018. Credits under par. (a) 3. for taxable years that
18 begin before January 1, 2019, may be carried forward to taxable years that begin
19 after December 31, 2018.

20 **SECTION 972.** 71.49 (1) (f) of the statutes is amended to read:

21 71.49 (1) (f) The total of farmland preservation credit under subch. IX,
22 farmland tax relief credit under s. 71.47 (2m), dairy manufacturing facility
23 investment credit under s. 71.47 (3p), jobs credit under s. 71.47 (3q), meat processing
24 facility investment credit under s. 71.47 (3r), woody biomass harvesting and
25 processing credit under s. 71.47 (3rm), food processing plant and food warehouse

1 investment credit under s. 71.47 (3rn), enterprise zone jobs credit under s. 71.47
2 (3w), business development credit under s. 71.47 (3y), research credit under s. 71.47
3 (4) (k) 1. and 1m., film production services credit under s. 71.47 (5f), film production
4 company investment credit under s. 71.47 (5h), beginning farmer and farm asset
5 owner tax credit under s. 71.47 (8r), and estimated tax payments under s. 71.48.

6 **SECTION 973.** 71.52 (6) of the statutes is amended to read:

7 71.52 (6) "Income" means the sum of Wisconsin adjusted gross income and the
8 following amounts, to the extent not included in Wisconsin adjusted gross income:
9 maintenance payments (except foster care maintenance and supplementary
10 payments excludable under section 131 of the internal revenue code), support money,
11 cash public assistance (not including credit granted under this subchapter and
12 amounts under s. 46.27, 2017 stats.), cash benefits paid by counties under s. 59.53
13 (21), the gross amount of any pension or annuity (including railroad retirement
14 benefits, all payments received under the federal social security act and veterans
15 disability pensions), nontaxable interest received from the federal government or
16 any of its instrumentalities, nontaxable interest received on state or municipal
17 bonds, worker's compensation, unemployment insurance, the gross amount of "loss
18 of time" insurance, compensation and other cash benefits received from the United
19 States for past or present service in the armed forces, scholarship and fellowship gifts
20 or income, capital gains, gain on the sale of a personal residence excluded under
21 section 121 of the internal revenue code, dividends, income of a nonresident or
22 part-year resident who is married to a full-year resident, housing allowances
23 provided to members of the clergy, the amount by which a resident manager's rent
24 is reduced, nontaxable income of an American Indian, nontaxable income from
25 sources outside this state and nontaxable deferred compensation. Intangible drilling

1 costs, depletion allowances and depreciation, including first-year depreciation
2 allowances under section 179 of the internal revenue code, amortization,
3 contributions to individual retirement accounts under section 219 of the internal
4 revenue code, contributions to Keogh plans, net operating loss carry-backs and
5 carry-forwards, capital loss carry-forwards, and disqualified losses deducted in
6 determining Wisconsin adjusted gross income shall be added to "income". "Income"
7 does not include gifts from natural persons, cash reimbursement payments made
8 under title XX of the federal social security act, surplus food or other relief in kind
9 supplied by a governmental agency, the gain on the sale of a personal residence
10 deferred under section 1034 of the internal revenue code or nonrecognized gain from
11 involuntary conversions under section 1033 of the internal revenue code. Amounts
12 not included in adjusted gross income but added to "income" under this subsection
13 in a previous year and repaid may be subtracted from income for the year during
14 which they are repaid. Scholarship and fellowship gifts or income that are included
15 in Wisconsin adjusted gross income and that were added to household income for
16 purposes of determining the credit under this subchapter in a previous year may be
17 subtracted from income for the current year in determining the credit under this
18 subchapter. A marital property agreement or unilateral statement under ch. 766 has
19 no effect in computing "income" for a person whose homestead is not the same as the
20 homestead of that person's spouse.

21 **SECTION 974.** 71.54 (1) (g) (intro.) of the statutes is amended to read:

22 71.54 (1) (g) *2012 and thereafter to 2019.* (intro.) The amount of any claim for
23 calendar years beginning before January 1, 2020, filed in 2012 and thereafter and
24 based on property taxes accrued or rent constituting property taxes accrued during
25 the previous year is limited as follows:

1 **SECTION 975.** 71.54 (1) (h) of the statutes is created to read:

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

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

9 2. If the household income was more than \$8,060 in the year to which the claim
10 relates, the claim is limited to 80 percent of the amount by which the property taxes
11 accrued or rent constituting property taxes accrued or both in that year on the
12 claimant's homestead exceeds 6.655 percent of the household income exceeding
13 \$8,060.

14 3. No credit may be allowed if the household income of a claimant exceeds
15 \$30,000.

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

18 **SECTION 976.** 71.54 (2) (b) 4. of the statutes is amended to read:

19 71.54 (2) (b) 4. In calendar years 2011 ~~or any subsequent calendar year to 2019,~~
20 \$1,460.

21 **SECTION 977.** 71.54 (2) (b) 5. of the statutes is created to read:

22 71.54 (2) (b) 5. Subject to sub. (2m), in calendar year 2020 or any subsequent
23 calendar year, \$1,460.

24 **SECTION 978.** 71.54 (2m) of the statutes is amended to read:

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

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

25 **SECTION 979.** 71.54 (2m) (c) of the statutes is created to read:

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

5 **SECTION 980.** 71.58 (7) (a) of the statutes is amended to read:

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

11 **SECTION 981.** 71.78 (4) (m) of the statutes is amended to read:

12 71.78 (4) (m) The chief executive officer of the Wisconsin Economic
13 Development Corporation and employees of the corporation to the extent necessary
14 to administer ~~the development zone program~~ economic development programs under
15 ~~subch. II of ch. 238.~~

16 **SECTION 982.** 71.78 (5) of the statutes is amended to read:

17 ~~71.78 (5) AGREEMENT WITH DEPARTMENT.~~ Copies of returns and claims specified
18 in sub. (1) and related schedules, exhibits, writings or audit reports shall not be
19 furnished to the persons listed under sub. (4), except persons under sub. (4) (e), (k),
20 (n), (o) and (q) or under an agreement between the department of revenue and
21 another agency of government or the Wisconsin Economic Development Corporation.

22 **SECTION 983.** 71.80 (25) (a) of the statutes is renumbered 71.80 (25), and 71.80
23 (25) (title), as renumbered, is amended to read:

24 71.80 (25) (title) NET OPERATING AND BUSINESS LOSS CARRY-FORWARD AND
25 CARRY-BACK.

SECTION 984

1 **SECTION 984.** 71.80 (25) (b) of the statutes is repealed.

2 **SECTION 985.** 71.83 (1) (ch) of the statutes is created to read:

3 71.83 (1) (ch) *First-time home buyers savings account withdrawals.* If an
4 account holder, as defined under s. 71.10 (10) (a) 1., or an account holder's estate is
5 required to add any amount to federal adjusted gross income under s. 71.05 (6) (a)
6 29., the account holder or the account holder's estate shall also pay an amount equal
7 to 10 percent of the amount that was added to income under s. 71.05 (6) (a) 29. The
8 department of revenue shall assess, levy, and collect the penalty under this
9 paragraph as it assesses, levies, and collects taxes under this chapter.

10 **SECTION 986.** 71.93 (title) of the statutes is amended to read:

11 **71.93 (title) Setoffs for ~~other~~ state agencies and debt collection for state**
12 **agencies, municipalities, and counties.**

13 **SECTION 987.** 71.93 (1) (a) 3. of the statutes is repealed.

14 **SECTION 988.** 71.93 (1) (a) 4. of the statutes is repealed.

15 **SECTION 989.** 71.93 (1) (a) 5. of the statutes is repealed.

16 **SECTION 990.** 71.93 (1) (a) 6. of the statutes is repealed.

17 **SECTION 991.** 71.93 (1) (a) 7m. of the statutes is repealed.

18 **SECTION 992.** 71.93 (1) (a) 8. of the statutes is repealed.

19 **SECTION 993.** 71.93 (1) (a) 9. of the statutes is created to read:

20 71.93 (1) (a) 9. A delinquent child support or spousal support obligation that
21 is certified under s. 49.855 and is owed to, or may be recovered by the department
22 of children and families on behalf of, a custodial parent, former spouse, or other
23 person.

24 **SECTION 994.** 71.93 (1) (a) 10. of the statutes is created to read:

1 71.93 (1) (a) 10. Restitution owed pursuant to an order or judgment under s.
2 973.09 (3) (b) or 973.20 (1r) that may be owed to, paid to, or recovered by the victim,
3 the department of corrections, a court, or a clerk of court.

4 **SECTION 995.** 71.93 (1) (b) of the statutes is amended to read:

5 71.93 (1) (b) "Debtor" means any person owing a debt to a state agency and any
6 person who owes a delinquent child support or spousal support obligation to an
7 agency of another state.

8 **SECTION 996.** 71.93 (1) (d) 3. of the statutes is created to read:

9 71.93 (1) (d) 3. A lottery prize equal to at least \$600 that exceeds a debtor's
10 Wisconsin tax liability or other liability owed to the department.

11 **SECTION 997.** 71.93 (1) (d) 4. of the statutes is created to read:

12 71.93 (1) (d) 4. Compensation or payment owed to a lottery retailer under ch.
13 565, whether owed by statute, rule, or contract, that exceeds a debtor's Wisconsin tax
14 liability or liability owed to the department.

15 **SECTION 998.** 71.93 (1) (e) of the statutes is renumbered 71.93 (1) (e) (intro.) and
16 amended to read:

17 71.93 (1) (e) (intro.) "~~State agency~~" ~~has the meaning set forth under s. 20.001~~
18 ~~(1).~~ means any of the following:

19 **SECTION 999.** 71.93 (1) (e) 1. of the statutes is created to read:

20 71.93 (1) (e) 1. An office, department, or independent agency in the executive
21 branch of the Wisconsin state government, the legislature, or the courts.

22 **SECTION 1000.** 71.93 (1) (e) 2. of the statutes is created to read:

23 71.93 (1) (e) 2. The State of Wisconsin.

24 **SECTION 1001.** 71.93 (2) (title) of the statutes is amended to read:

25 71.93 (2) (title) CERTIFICATION OF STATE AGENCY DEBTS.

SECTION 1002

1 **SECTION 1002.** 71.93 (2) of the statutes is renumbered 71.93 (2) (a) and
2 amended to read:

3 71.93 (2) (a) A state agency may certify to the department any properly
4 identified debt exceeding \$20 so that the department may set off the amount of the
5 debt against a refund to the debtor or so that the department of administration may
6 reduce a disbursement to the debtor by the amount of the debt. At least 30 days prior
7 to certification each debtor shall be sent a notice by the state agency of its intent to
8 certify the debt to the department for setoff or reduction and of the debtor's right of
9 appeal. At the time of certification, the certifying state agency shall furnish the
10 social security number or operator's license number of individual debtors and the
11 federal employer identification number of other debtors.

12 **SECTION 1003.** 71.93 (2) (b) of the statutes is created to read:

13 71.93 (2) (b) A state agency wishing to certify a debt to the department shall
14 enter into a written agreement with the department prior to any certification under
15 par. (a). A certification of debt by a state agency, or changes to a certification, shall
16 be in a manner and form prescribed by the department. The secretary of revenue
17 shall be the final authority in the resolution of an interagency dispute regarding the
18 certification of a debt. If a refund or disbursement is adjusted after a setoff or
19 reduction, the department may readjust any erroneous settlement with the
20 certifying state agency.

21 **SECTION 1004.** 71.93 (3) (title) of the statutes is repealed and recreated to read:

22 71.93 (3) (title) SETOFF.

23 **SECTION 1005.** 71.93 (3) (a) (intro.) of the statutes is amended to read:

24 71.93 (3) (a) (intro.) The department of revenue shall ~~setoff~~ set off any debt or
25 other amount owed to the department, regardless of the origin of the debt or of the

1 amount, its nature or its date. ~~The department's setoff shall include the use of~~
2 ~~unclaimed property owed to the debtor under s. 177.24, against a refund owed to the~~
3 ~~debtor.~~ If after the setoff there remains a refund in excess of \$10, the department
4 shall set off the remaining refund against certified debts of other entities in the
5 following order:

6 **SECTION 1006.** 71.93 (3) (a) 1. of the statutes is amended to read:

7 71.93 (3) (a) 1. Debt under s. 49.855 (1), certified by the department of children
8 and families under sub. (2) (a).

9 **SECTION 1007.** 71.93 (3) (a) 1m. of the statutes is amended to read:

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

12 **SECTION 1008.** 71.93 (3) (a) 3. of the statutes is amended to read:

13 71.93 (3) (a) 3. Debt under s. 71.935 owed to ~~local units of government a~~
14 municipality or county and collected pursuant to an agreement under sub. (8).

15 **SECTION 1009.** 71.93 (3) (a) 4. of the statutes is amended to read:

16 71.93 (3) (a) 4. Debt certified under sub. (2) (a), other than child support debt
17 certified by the department of children and families.

18 **SECTION 1010.** 71.93 (3) (a) 7. of the statutes is amended to read:

19 71.93 (3) (a) 7. Federal ~~tax~~ obligations collected pursuant to an agreement
20 under s. 73.03 (52) (a) or (b).

21 **SECTION 1011.** 71.93 (3) (b) of the statutes is amended to read:

22 71.93 (3) (b) The department shall provide the information obtained under sub.
23 (2) (a) to the department of administration. Before reducing any disbursement as
24 provided under this paragraph, the department of administration shall contact the
25 department to verify whether a certified debt that is the basis of the reduction has

SECTION 1011

1 been collected by other means. If the certified debt remains uncollected, the
2 department of administration shall reduce the disbursement by the amount of the
3 debtor's certified debt under sub. (2) (a), notify the department of such reduction and
4 disbursement, and remit the amount of the reduction to the department in the
5 manner prescribed by the department. If more than one certified debt exists for any
6 debtor, the disbursement shall be reduced first by any debts certified under s. 73.12
7 then by the earliest debt certified. Any legal action contesting a reduction under this
8 paragraph shall be brought against the state agency that certified the debt under
9 sub. (2) (a).

10 **SECTION 1012.** 71.93 (3) (d) of the statutes is created to read:

11 71.93 (3) (d) The department may provide, upon request by a state agency, a
12 report that details each active debt subject to this section of the state agency,
13 including the ending balance. The department may provide a weekly report to a state
14 agency of amounts collected and payments through electronic funds transfer or state
15 account system general ledger transfer.

16 **SECTION 1013.** 71.93 (4) of the statutes is repealed.

17 **SECTION 1014.** 71.93 (5) of the statutes is renumbered 71.93 (3) (e) and
18 amended to read:

19 71.93 (3) (e) ~~Debtor charged for costs.~~ Each debtor shall be charged for
20 ~~administration expenses~~ a collection fee, and the amounts charged shall be credited
21 to the department's appropriation under s. 20.566 (1) (h). The department may set
22 off amounts charged to the debtor under this subsection against any refund owed to
23 the debtor, in the manner provided in sub. (3). ~~Annually on or before November 1,~~
24 ~~the department shall review its costs incurred during the previous fiscal year in~~

1 ~~administering state agency setoffs and reductions and shall adjust its subsequent~~
2 ~~charges to each debtor to reflect that experience.~~

3 **SECTION 1015.** 71.93 (6) of the statutes is repealed.

4 **SECTION 1016.** 71.93 (7) (title) of the statutes is repealed.

5 **SECTION 1017.** 71.93 (7) of the statutes is renumbered 71.93 (3) (f).

6 **SECTION 1018.** 71.93 (8) (title) of the statutes is amended to read:

7 71.93 (8) (title) ~~STATE AGENCY DEBT~~ DEBT COLLECTION AGREEMENTS.

8 **SECTION 1019.** 71.93 (8) (a) of the statutes is repealed.

9 **SECTION 1020.** 71.93 (8) (b) 1. of the statutes is renumbered 71.93 (8) (am) and
10 amended to read:

11 71.93 (8) (am) Except for debts under sub. (1) (a) 2. and 9. and except as
12 provided in subd. 2. par. (bm), a state agency and the department of revenue shall
13 enter into a written agreement to have the department collect ~~any amount owed to~~
14 ~~the state agency~~ a debt that is more than 90 days past due, unless negotiations
15 between the agency and debtor are actively ongoing, the debt is the subject of legal
16 action or administrative proceedings, or the agency determines that the debtor is
17 adhering to an acceptable payment arrangement. At least 30 days before the
18 department pursues the collection of any debt referred by a state agency, either the
19 department or the agency shall provide the debtor with a written notice that the debt
20 will be referred to the department for collection. Any legal action contesting the
21 validity of a debt shall be brought against the state agency that referred the debt.
22 The department may collect amounts owed, pursuant to the written agreement, from
23 the debtor in addition to offsetting the amounts as provided under sub. (3). The
24 department shall charge each debtor whose debt is subject to collection under this

1 paragraph a collection fee and that amount shall be credited to the appropriation
2 under s. 20.566 (1) (h).

3 **SECTION 1021.** 71.93 (8) (b) 2. of the statutes is renumbered 71.93 (8) (bm) and
4 amended to read:

5 71.93 (8) (bm) The department may enter into agreements described under
6 ~~subd. 1. par. (am)~~ with the courts, the legislature, authorities, as defined in s. 16.41
7 (4), and ~~local units of government~~, to collect debt under s. 71.935, municipalities and
8 counties. Any legal action contesting the validity of a debt shall be brought against
9 the unit of government that referred the debt to the department.

10 **SECTION 1022.** 71.93 (8) (b) 3. of the statutes is repealed.

11 **SECTION 1023.** 71.93 (8) (b) 4. of the statutes is renumbered 71.93 (8) (c).

12 **SECTION 1024.** 71.93 (8) (b) 5. of the statutes is renumbered 71.93 (8) (d).

13 **SECTION 1025.** 71.93 (8) (b) 6. of the statutes is renumbered 71.93 (8) (e).

14 **SECTION 1026.** 71.935 (1) (a) of the statutes is amended to read:

15 71.935 (1) (a) "Debt" means a parking citation of at least \$20 that is unpaid and
16 for which there has been no court appearance by the date specified in the citation or,
17 if no date is specified, that is unpaid for at least 28 days; an unpaid fine, fee,
18 restitution or forfeiture of at least \$20; delinquent general property taxes, as defined
19 in s. 74.01 (1), or a delinquent special assessment, as defined in s. 74.01 (3), special
20 charge, as defined in s. 74.01 (4), or special tax, as defined in s. 74.01 (5), and any
21 interest or penalty charged due to the delinquency; and any other debt that is at least
22 \$20, including debt related to property taxes, if the debt has been reduced to a
23 judgment or the municipality or county to which the debt is owed has provided the
24 debtor reasonable notice and an opportunity to be heard with regard to the debt. For
25 purposes of this subsection, a debt owed to an ambulance service provider operating

1 pursuant to a contract with a municipality or county under s. 59.54 (1), 60.565, 61.64,
2 or 62.133, is considered a debt owed to the municipality or county, if the debt relates
3 to providing ambulance services to individuals in that municipality or county as a
4 result of responding to requests that originate from a government-operated 911 call
5 center.

6 **SECTION 1027.** 71.935 (1) (am) of the statutes is repealed.

7 **SECTION 1028.** 71.935 (1) (ar) of the statutes is repealed.

8 **SECTION 1029.** 71.935 (1) (b) of the statutes is amended to read:

9 71.935 (1) (b) "Debtor" means a person who owes a debt ~~related to victim~~
10 ~~restitution or who owes a debt~~ to a municipality or county.

11 **SECTION 1030.** 71.935 (4) (a) of the statutes is repealed and recreated to read:

12 71.935 (4) (a) The department may provide, upon request by a municipality or
13 county, a report that details each active debt subject to this section of the
14 municipality or county, including the ending balance. The department may provide
15 a weekly report to a municipality or county of amounts collected and payments
16 disbursed through electronic funds transfer or state account system general ledger
17 transfer.

18 **SECTION 1031.** 71.935 (5) of the statutes is amended to read:

19 71.935 (5) Each debtor shall be charged ~~for administration expenses a~~
20 collection fee, and the amounts charged shall be credited to the appropriation
21 account under s. 20.566 (1) (h). The department may set off amounts charged to the
22 debtor under this subsection against any refund owed to the debtor, in the manner
23 provided in sub. (3). ~~Annually on or before November 1, the department shall review~~
24 ~~its costs incurred during the previous fiscal year in administering setoffs and~~

1 ~~reductions under this section and shall adjust its subsequent charges to each debtor~~
2 ~~to reflect that experience.~~

3 **SECTION 1032.** 73.03 (67) of the statutes is amended to read:

4 73.03 **(67)** To submit a request for a supplement under s. 16.515 for
5 administering the debt collection program under s. 71.93 (8) ~~(b)~~ that includes a
6 detailed plan for implementing the program, a listing of agencies and other entities
7 that would participate in the program, an estimate of the amount of debt collections
8 under the program, and the fees that the debtors would pay under the program.

9 **SECTION 1033.** 73.03 (71) (b) of the statutes is amended to read:

10 73.03 **(71)** (b) After the department makes the determination under par. (a),
11 the department shall determine how much the lowest individual income tax rates
12 rate under s. 71.06 (1q) (a) and (2) (i) 1. and (j) 1. may be reduced for the taxable year
13 ending on December 31, 2019, in order to decrease individual income tax revenue by
14 the amount determined under par. (a). ~~For purposes of this paragraph, the tax rate~~
15 ~~reductions shall be calculated in proportion to the share of gross tax attributable to~~
16 ~~each of the tax brackets under s. 71.06 in effect during the most recently completed~~
17 ~~taxable year.~~

18 **SECTION 1034.** 73.03 (73) (f) 1. of the statutes is amended to read:

19 73.03 **(73)** (f) 1. Subject to subd. 2., for taxable years beginning after December
20 31, 2020, the department shall make the pilot program described under par. (b)
21 permanent and applicable to all eligible claimants of the earned income tax credit
22 under s. 71.07 (9e) ~~(aj)~~ (ak), based on the specifications described under pars. (b) and
23 (c) 2.

24 **SECTION 1035.** 74.09 (3) (gb) of the statutes is created to read:

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

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

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

13 **SECTION 1036.** 76.636 (1) (e) 3. of the statutes is amended to read:

14 76.636 (1) (e) 3. A person who is ~~employed in a trial job, as defined in s. 49.141~~
15 ~~(1) (n), 2011 stats., or in a trial employment match program job subsidized~~
16 employment placement, as defined in s. 49.141 (1) ~~(n)~~ (Lm).

17 **SECTION 1037.** 77.25 (7) of the statutes is amended to read:

18 77.25 (7) By a subsidiary corporation to its parent corporation for no
19 consideration, nominal consideration or in sole consideration of cancellation,
20 surrender or transfer of capital stock between parent and subsidiary corporation.

21 **SECTION 1038.** 77.25 (10) of the statutes is amended to read:

22 77.25 (10) Solely in order to provide or release security for a debt or obligation,
23 if the debt or obligation was not incurred as the result of a conveyance.

24 **SECTION 1039.** 77.51 (7i) of the statutes is created to read:

1 77.51 (7i) (a) "Marketplace provider" means a person who contracts with a
2 seller to facilitate for consideration, regardless of whether deducted as fees from the
3 transaction, the sale of the seller's products through a physical or electronic
4 marketplace operated by the person and who meets all of the following conditions:

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

7 a. Transmitting or communicating the offer or acceptance between the seller
8 and a buyer.

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

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

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

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

18 a. Providing payment processing services.

19 b. Providing fulfillment or storage services.

20 c. Listing products for sale.

21 d. Setting prices.

22 e. Branding sales as those of the marketplace provider.

23 f. Taking orders.

24 g. Advertising or promotion.

1 h. Accepting or assisting with returns or exchanges or providing other types of
2 customer service.

3 (b) For purposes of this subsection, "affiliated person" means a person who,
4 with respect to another person, meets any of the following conditions:

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

7 2. The person is related to the other person because a 3rd person, or group of
8 3rd persons who are affiliated persons with respect to each other, holds an ownership
9 interest of more than 5 percent, whether direct or indirect, in the related person.

10 **SECTION 1040.** 77.51 (7j) of the statutes is created to read:

11 77.51 (7j) "Marketplace seller" means a seller who sells products through a
12 physical or electronic marketplace operated by a marketplace provider, regardless
13 of whether the seller is required to be registered with the department.

14 **SECTION 1041.** 77.51 (11d) of the statutes is amended to read:

15 77.51 (11d) For purposes of subs. (1ag), (1f), (3pf), (7i), (7j), and (9p) and ss.
16 77.52 (20) and (21), 77.522, 77.54 (9g), (51), (52), and (60), and 77.59 (5r), "product"
17 includes tangible personal property, and items, property, and goods under s. 77.52
18 (1) (b), (c), and (d), and services.

19 **SECTION 1042.** 77.51 (13) (intro.) of the statutes is amended to read:

20 77.51 (13) (intro.) ~~Except as provided in sub. (13b), "retailer"~~ "Retailer"
21 includes:

22 **SECTION 1043.** 77.51 (13) (a) of the statutes is amended to read:

23 77.51 (13) (a) Every seller who makes any sale on the seller's own behalf or on
24 behalf of another person, regardless of whether the sale is mercantile in nature, of

1 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
2 (d), or a service specified under s. 77.52 (2) (a).

3 **SECTION 1044.** 77.51 (13) (c) of the statutes is amended to read:

4 77.51 (13) (c) When the department determines that it is necessary for the
5 efficient administration of this subchapter to regard any salespersons,
6 representatives, peddlers, marketplace providers, or canvassers as the agents of the
7 dealers, distributors, marketplace sellers, supervisors, or employers under whom
8 they operate or from whom they obtain the tangible personal property or items,
9 property, or goods under s. 77.52 (1) (b), (c), or (d) sold by them, irrespective of
10 whether they are making the sales on their own behalf or on behalf of such dealers,
11 distributors, marketplace sellers, supervisors, or employers, the department may so
12 regard them and may regard the dealers, distributors, marketplace sellers,
13 supervisors, or employers as retailers for purposes of this subchapter.

14 **SECTION 1045.** 77.51 (13) (p) 7. of the statutes is created to read:

15 77.51 (13) (p) 7. Whether the seller sells on the seller's own behalf or on behalf
16 of another person.

17 **SECTION 1046.** 77.51 (13) (q) of the statutes is created to read:

18 77.51 (13) (q) A marketplace provider who facilitates, on behalf of a
19 marketplace seller, sales that are sourced to this state as provided under s. 77.522
20 of tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c),
21 or (d), or services.

22 **SECTION 1047.** 77.51 (13b) of the statutes is repealed.

23 **SECTION 1048.** 77.51 (14) (n) 7. of the statutes is created to read:

24 77.51 (14) (n) 7. Whether the seller sells on the seller's own behalf or on behalf
25 of another person.

1 **SECTION 1049.** 77.51 (17) (g) of the statutes is created to read:

2 77.51 (17) (g) Whether the seller sells on the seller's own behalf or on behalf
3 of another person.

4 **SECTION 1050.** 77.52 (3m) of the statutes is created to read:

5 77.52 (3m) A marketplace provider is liable for the tax imposed under this
6 section on the sales price the marketplace provider charges to the purchaser of
7 tangible personal property, or items, property, or goods under sub. (1) (b), (c), or (d),
8 or services under sub. (2), including any charges for facilitating the sale of the
9 property, items, goods, or services.

10 **SECTION 1051.** 77.52 (14) (c) of the statutes is created to read:

11 77.52 (14) (c) A marketplace provider shall obtain and maintain each
12 exemption certificate from a purchaser claiming an exemption for a sale facilitated
13 by the marketplace provider on behalf of a marketplace seller.

14 **SECTION 1052.** 77.523 of the statutes is created to read:

15 **77.523 Liability of marketplace providers and sellers.** (1) A marketplace
16 provider shall collect and remit tax on a sale facilitated on behalf of a marketplace
17 seller.

18 (2) A marketplace provider who collects and remits tax on a sale under sub. (1)
19 shall notify the marketplace seller that the marketplace provider is collecting and
20 remitting the tax. Upon notification, only the marketplace provider may be audited
21 and held liable for tax on the sale. If notification is not provided, the marketplace
22 provider and marketplace seller may be audited and held liable for tax on the sale.

23 (3) Upon examination by the department and subject to the limitations in subs.

24 (4) to (6), a marketplace provider is relieved of liability under this subchapter for the

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1 failure to collect and remit tax on a sale if the marketplace provider can show all of
2 the following to the department's satisfaction:

3 (a) The sale was made solely on behalf of a marketplace seller.

4 (b) The marketplace provider notified the marketplace seller under sub. (2).

5 (c) The retail sale was properly sourced to this state under s. 77.522.

6 (4) The relief from liability under sub. (3) may not exceed 5 percent of the tax
7 due for the sale.

8 (5) Subsection (3) does not apply if the failure to collect and remit tax was due
9 to an error in sourcing the sale under s. 77.522.

10 (6) Subsection (3) does not apply to a sale occurring after December 31, 2020.

11 (7) Nothing in this section affects the obligations of a purchaser to remit use
12 tax on a transaction for which the marketplace provider and marketplace seller did
13 not collect and remit the tax.

14 **SECTION 1053.** 77.54 (14) (intro.) of the statutes is amended to read:

15 77.54 (14) (intro.) The sales price from the sales of and the storage, use, or other
16 consumption in this state of drugs that are any of the following, not including
17 cannabis and tetrahydrocannabinols procured from dispensary, as defined in s. 94.57

18 (1) (a):

19 **SECTION 1054.** 77.54 (47) of the statutes is repealed.

20 **SECTION 1055.** 77.54 (62) of the statutes is repealed.

21 **SECTION 1056.** 77.585 (1g) of the statutes is created to read:

22 77.585 (1g) A marketplace provider who collects and remits tax on behalf of a
23 marketplace seller under s. 77.523 may claim a bad debt deduction under this
24 subsection if either the marketplace provider or marketplace seller may claim a
25 deduction under section 166 of the Internal Revenue Code for the sales transaction.

1 A marketplace seller may not claim a deduction under this subsection for the same
2 transaction.

3 **SECTION 1057.** 77.585 (11) of the statutes is created to read:

4 77.585 (11) A marketplace seller may claim as a deduction on a return under
5 s. 77.58 the amount of the sales price for which the marketplace seller received
6 notification under s. 77.523 (2).

7 **SECTION 1058.** 77.59 (5) of the statutes is amended to read:

8 77.59 (5) The department may offset the amount of any refund for a period,
9 together with interest on the refund, against deficiencies for another period, and
10 against penalties and interest on the deficiencies, or against any amount of whatever
11 kind, due and owing on the books of the department from the person who is entitled
12 to the refund. If the refund is to be paid to a buyer, the department may also set off
13 amounts in the manner in which it sets off income tax and franchise tax refunds
14 under s. 71.93 and may set off amounts for child support or maintenance or both in
15 the manner in which it sets off income taxes under ss. 49.855 and 71.93 (3), ~~(6)~~ and
16 ~~(7)~~. No person has any right to, or interest in, any refund under this chapter until
17 setoff under ss. 49.855, 71.93, and 71.935 has been completed.

18 **SECTION 1059.** 77.982 (2) of the statutes is amended to read:

19 77.982 (2) Sections 77.51 (1f), (3pf), (9p), (12m), ~~(13)~~, (14), (14g), (15a), and
20 (15b), and ~~(17)~~, 77.52 (1b), (3), (5), (13), (14), and (18) to (23), 77.522, ~~77.523~~, 77.54
21 (51) and (52), 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5),
22 (6), (8), (9), (12) to (15), and (19m), and 77.62, as they apply to the taxes under subch.
23 III, apply to the tax under this subchapter. Section 77.73, as it applies to the taxes
24 under subch. V, applies to the tax under this subchapter.

25 **SECTION 1060.** 77.991 (2) of the statutes is amended to read:

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1 77.991 (2) Sections 77.51 (12m), (13), (14), (14g), (15a), and (15b), and (17),
2 77.52 (1b), (3), (5), (13), (14), (18), and (19), 77.522, 77.523, 77.58 (1) to (5), (6m), and
3 (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5), (6), (8), (9), (12) to (15), and (19m), and
4 77.62, as they apply to the taxes under subch. III, apply to the tax under this
5 subchapter. Section 77.73, as it applies to the taxes under subch. V, applies to the
6 tax under this subchapter. The renter shall collect the tax under this subchapter
7 from the person to whom the passenger car is rented.

8 **SECTION 1061.** 77.9951 (2) of the statutes is amended to read:

9 77.9951 (2) Sections 77.51 (3r), (12m), (13), (14), (14g), (15a), and (15b), and
10 (17), 77.52 (1b), (3), (5), (13), (14), (18), and (19), 77.522, 77.523, 77.58 (1) to (5), (6m),
11 and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5), (6), (8), (9), (12) to (15), and (19m),
12 and 77.62, as they apply to the taxes under subch. III, apply to the fee under this
13 subchapter. The renter shall collect the fee under this subchapter from the person
14 to whom the vehicle is rented.

15 **SECTION 1062.** 78.01 (1) of the statutes is amended to read:

16 78.01 (1) IMPOSITION OF TAX AND BY WHOM PAID. An excise tax at the rate
17 determined under ss. ~~78.015 and 78.017~~ 78.018 is imposed on all motor vehicle fuel
18 received by a supplier for sale in this state, for sale for export to this state or for export
19 to this state except as otherwise provided in this chapter. The motor vehicle fuel tax
20 is to be computed and paid as provided in this chapter. Except as otherwise provided
21 in this chapter, a person who receives motor vehicle fuel under s. 78.07 shall collect
22 from the purchaser of the motor vehicle fuel that is received, and the purchaser shall
23 pay to the person who receives the motor vehicle fuel under s. 78.07, the tax imposed
24 by this section on each sale of motor vehicle fuel at the time of the sale, irrespective
25 of whether the sale is for cash or on credit. In each subsequent sale or distribution