

DEPARTMENT OF REVENUE

CLEARINGHOUSE RULE NUMBER 06-001

SECTION 227.19(2) AND (3), STATS., REPORT

Basis and Purpose of the Proposed Rule

The rule is necessary to allow the department to require that Form WT-7 be filed by electronic means and that pass-through entities file and pay withholding tax on the income allocable to their nonresident members by electronic means.

Public Hearing

A public hearing was held on March 15, 2006. No testimony was offered at the hearing.

Written comments opposed to the portion of the rule that allows the department to require electronic filing of Form WT-7 were received from Mr. Vernon Eulert of Eulert Accounting. A copy of these comments and the department's response are enclosed with this Report. No changes were made to the proposed rule order as a result of these comments.

Legislative Council Staff Recommendations

The Legislative Council staff had no recommendations concerning the proposed rule order.

Regulatory Flexibility Analysis

The proposed rule order does not have a significant economic impact on a substantial number of small businesses.