

**Report From Agency**  
**DEPARTMENT OF REVENUE**  
**CLEARINGHOUSE RULE NUMBER 12-006**  
**SECTION 227.19(2) AND (3), STATS., REPORT**

**Basis and Purpose of the Proposed Rule**

The rule is necessary to prescribe the method that members of the same combined group must use to share net business losses with other members of the same commonly controlled group for net business losses incurred prior to January 1, 2009, and not fully used before January 1, 2012, for purposes of s. 71.255 (6) (bm), Stats. It also provides clarity regarding the 15 year and 20 year net business loss carryforwards for purposes of ss. 71.26 (4) (a) and (b) and 71.45 (4) (a) and (b), Stats.

**Public Hearing and Comments**

A public hearing was held on February 13, 2012. No one appeared at the hearing.

No public comments to the proposed rule were received.

**Response to Legislative Council Report**

All Legislative Council staff recommendations have been incorporated in the proposed rule order.

**Regulatory Flexibility Analysis**

The proposed rule order does not affect small businesses.