

of this act and prior to July 1, \* \* \* 1945, in the following cases, except as hereinafter provided.

SECTION 4. 139.50 (2) (introductory paragraph) of the statutes is amended to read:

139.50 (2) (Introductory paragraph). From and after September 20, 1939, and until June 30, \* \* \* 1945, to provide revenue for the rehabilitation of returning veterans of World War II, construction and improvements at state institutions and other state property, and postwar public works projects to relieve postwar unemployment, an occupational tax is assessed, imposed and levied upon the sale, exchange, offering or exposing for sale, having in possession with intent to sell, or removal for consumption or sale of tobacco products, or other disposition for any purpose whatsoever other than for shipment in interstate or foreign commerce. Such tax is levied and shall be collected at the following rates:

Approved June 29, 1943.

No. 593, A.]

[Published June 30, 1943.]

### CHAPTER 368.

AN ACT to repeal chapter 505, laws of 1935, section 3 (5) (71.60, statutes of 1941) and to amend chapter 505, laws of 1935, section 3 (6) (71.60, statutes of 1941), relating to exemptions from the privilege dividend tax.

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

\* SECTION 1. Chapter 505, laws of 1935, section 3 (5) (71.60, statutes of 1941) is repealed.

SECTION 2. Chapter 505, laws of 1935, section 3 (6) (71.60, statutes of 1941) is amended to read:

(71.60, Statutes of 1941) (Chapter 505, Laws of 1935) Section 3. (6) The provisions of this section shall not apply to dividends declared and paid by a corporation out of its income which it has reported for taxation under the provisions of chapter 71, to the extent that the business of such corporation consists in the receipts of dividends from which a privilege dividend tax has been deducted and withheld \* \* \* in the distribution

thereof to its stockholders. *Dividends paid by a subsidiary corporation to a parent corporation, both of which corporations are organized under the laws of Wisconsin, shall not be subject to the tax herein imposed, provided the subsidiary and its parent report their income for taxation under the provisions of chapter 71 on a consolidated income return basis, or both corporations report separately.*

Approved June 29, 1943.

No. 596, A.]

[Published June 30, 1943.]

### CHAPTER 369.

AN ACT to repeal 71.07 and 72.03 (5); to amend 71.02 (2) (d), 71.05 (2) (d), 71.095 (2) and (7), 71.35 (3), 72.04 (2), 72.06, 72.24, 72.75, Section 4 (7) (d) and 73.05 (4); and to create 72.035, 72.75 section 4 (2) (e) and 237.11 of the statutes, relating to the income and inheritance tax acts.

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

SECTION 1. 71.02 (2) (d) of the statutes is amended to read:  
 71.02 (2) (d) All profits derived from the transaction of business or from the sale or other disposition of real estate or other capital assets; provided, that for the purpose of ascertaining the gain or loss resulting from the sale or other disposition of property, real or personal, acquired prior to January 1, 1911, the fair market value of such property as of January 1, 1911, shall be the basis for determining the amount of such gain or loss; and, provided, further, that the basis for computing the profit or loss on the sale of property acquired by gift after 1922 shall be the same as it would have been had the sale been made by the last preceding owner who did not acquire it by gift; and in case the taxing officers are unable to ascertain the cost of the property to such prior owner, if acquired after January 1, 1911, then the basis shall be the value thereof at or about the time it was acquired by him, and such value shall be determined from the best information obtainable. In computing profit or loss on the sale of property acquired by descent, \* \* \* *devise, will or inheritance, or on the sale of property in a decedent's estate, since*