

# State of Wisconsin



1999 Assembly Bill 860

Date of enactment: **May 17, 2000**

Date of publication\*: **June 1, 2000**

## 1999 WISCONSIN ACT 194

AN ACT *to repeal* 71.01 (6) (f), 71.22 (4) (f), 71.22 (4m) (d), 71.26 (2) (b) 6., 71.34 (1g) (f) and 71.42 (2) (e); *to amend* 71.01 (6) (L), 71.01 (6) (m), 71.01 (6) (n), 71.01 (7r), 71.22 (4) (L), 71.22 (4) (m), 71.22 (4) (n), 71.22 (4m) (j), 71.22 (4m) (k), 71.22 (4m) (L), 71.26 (2) (b) 12., 71.26 (2) (b) 13., 71.26 (2) (b) 14., 71.26 (3) (y), 71.34 (1g) (L), 71.34 (1g) (m), 71.34 (1g) (n), 71.365 (1m), 71.42 (2) (k), 71.42 (2) (L), 71.42 (2) (m), 71.45 (2) (a) 13. and 565.30 (5); and *to create* 71.01 (6) (o), 71.22 (4) (o), 71.22 (4m) (m), 71.26 (2) (b) 15., 71.34 (1g) (o), 71.42 (2) (n), 71.67 (5m), 565.01 (2m) and 565.30 (6r) (c) 10. of the statutes; **relating to:** references to the Internal Revenue Code for income tax and franchise tax purposes, withholding income taxes from the amount paid to purchase the assignment of a lottery prize and requiring the lottery administrator to report to the department of revenue the federal income tax number of an assignee.

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

**SECTION 1.** 71.01 (6) (f) of the statutes, as affected by 1999 Wisconsin Act 9, is repealed.

**SECTION 2.** 71.01 (6) (L) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

71.01 (6) (L) For taxable years that begin after December 31, 1996, and before January 1, 1998, for natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.

102-90, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1996, do not apply to this paragraph with respect to taxable years beginning after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36 apply for Wisconsin purposes at the same time as for federal purposes.

\* Section 991.11, WISCONSIN STATUTES 1997-98: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

**SECTION 3.** 71.01 (6) (m) of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

71.01 (6) (m) For taxable years that begin after December 31, 1997, and before January 1, 1999, for natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, “Internal Revenue Code” means the federal Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#), and as indirectly affected by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-280](#), P.L. [101-508](#), P.L. [102-90](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-117](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#). The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 4.** 71.01 (6) (n) of the statutes, as created by [1999 Wisconsin Act 9](#), is amended to read:

71.01 (6) (n) For taxable years that begin after December 31, 1998, and before January 1, 2000, for natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, “Internal Revenue Code” means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [106-36](#) and [P.L. 106-170](#), and as indirectly affected by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-280](#), P.L. [101-508](#), P.L. [102-90](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d),

13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-117](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#). The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1998, do not apply to this paragraph with respect to taxable years beginning after December 31, 1998, and before January 1, 2000, except that changes to the Internal Revenue Code made by P.L. [106-36](#) and [P.L. 106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [106-36](#) and [P.L. 106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 5.** 71.01 (6) (o) of the statutes is created to read:

71.01 (6) (o) For taxable years that begin after December 31, 1999, for natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, “Internal Revenue Code” means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as indirectly affected by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-280](#), P.L. [101-508](#), P.L. [102-90](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-117](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#), P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#). The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1999, do not apply to this paragraph with respect to taxable years beginning after December 31, 1999.

**SECTION 6.** 71.01 (7r) of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

71.01 (7r) Notwithstanding sub. (6), for purposes of computing amortization or depreciation, “Internal Revenue Code” means either the federal Internal Revenue Code as amended to December 31, ~~1998~~ 1999, or the federal Internal Revenue Code in effect for the taxable year for which the return is filed, except that property that, under s. 71.02 (2) (d) 12., 1985 stats., is required to be depreciated for taxable year 1986 under the Internal Rev-

enue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980.

**SECTION 7.** 71.22 (4) (f) of the statutes, as affected by [1999 Wisconsin Act 9](#), is repealed.

**SECTION 8.** 71.22 (4) (L) of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

71.22 (4) (L) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after December 31, 1996, and before January 1, 1998, means the federal Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and P.L. [105-277](#) and P.L. [106-36](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#) excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. [99-514](#) and section 1008 (g) (5) of P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and P.L. [105-277](#) and P.L. [106-36](#). The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1996, do not apply to this paragraph with respect to taxable years beginning after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and P.L. [105-277](#) and P.L. [106-36](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and P.L. [105-277](#) and P.L. [106-36](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 9.** 71.22 (4) (m) of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

71.22 (4) (m) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after December 31, 1997, and before January 1, 1999, means the federal Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as

amended by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#) excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. [99-514](#) and section 1008 (g) (5) of P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#). The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 10.** 71.22 (4) (n) of the statutes, as created by [1999 Wisconsin Act 9](#), is amended to read:

71.22 (4) (n) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after December 31, 1998, and before January 1, 2000, means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#) excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. [99-514](#) and section 1008 (g) (5) of P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#). The Internal Revenue

Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1998, do not apply to this paragraph with respect to taxable years beginning after December 31, 1998, and before January 1, 2000, except that changes to the Internal Revenue Code made by P.L. 106-36 and P.L. 106-170 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 106-36 and P.L. 106-170 apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 11.** 71.22 (4) (o) of the statutes is created to read:

71.22 (4) (o) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after December 31, 1999, means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and P.L. 106-170. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1999, do not apply to this paragraph with respect to taxable years beginning after December 31, 1999.

**SECTION 12.** 71.22 (4m) (d) of the statutes, as affected by 1999 Wisconsin Act 9, is repealed.

**SECTION 13.** 71.22 (4m) (j) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

71.22 (4m) (j) For taxable years that begin after December 31, 1996, and before January 1, 1998, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188 and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, and as

indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1996, do not apply to this paragraph with respect to taxable years beginning after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36 and changes that indirectly affect provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 14.** 71.22 (4m) (k) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

71.22 (4m) (k) For taxable years that begin after December 31, 1997, and before January 1, 1999, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206

and, P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [105-178](#), P.L. [105-206](#) and, P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 15.** 71.22 (4m) (L) of the statutes, as created by [1999 Wisconsin Act 9](#), is amended to read:

71.22 (4m) (L) For taxable years that begin after December 31, 1998, and before January 1, 2000, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and, P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#). The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1998, do not apply to this paragraph with respect to taxable years beginning after December 31, 1998, and before January 1, 2000, except that changes to the Internal Revenue Code made by P.L. [106-36](#) and P.L. [106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [106-36](#) and P.L. [106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

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

71.22 (4m) (m) For taxable years that begin after December 31, 1999, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of

P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#), P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#). The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1999, do not apply to this paragraph with respect to taxable years beginning after December 31, 1999.

**SECTION 17.** 71.26 (2) (b) 6. of the statutes, as affected by [1999 Wisconsin Act 9](#), is repealed.

**SECTION 18.** 71.26 (2) (b) 12. of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

71.26 (2) (b) 12. For taxable years that begin after December 31, 1996, and before January 1, 1998, for a corporation, conduit or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and, P.L. [105-277](#) and P.L. [106-36](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and, P.L. [105-277](#) and P.L. [106-36](#), "net income" means the federal regulated investment company taxable income, federal real estate mortgage investment conduit taxable income, federal real estate investment trust or financial asset securitization investment trust taxable income of the corporation, conduit or trust as determined under the Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#) and as amended by P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and, P.L. [105-277](#) and P.L. [106-36](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L.

101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1996, do not apply to this subdivision with respect to taxable years that begin after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36 apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 19.** 71.26 (2) (b) 13. of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

71.26 (2) (b) 13. For taxable years that begin after December 31, 1997, and before January 1, 1999, for a corporation, conduit or common law trust which quali-

fies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, "net income" means the federal regulated investment company taxable income, federal real estate mortgage investment conduit taxable income, federal real estate investment trust or financial asset securitization investment trust taxable income of the corporation, conduit or trust as determined under the Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted

basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#), applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1997, do not apply to this subdivision with respect to taxable years that begin after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 20.** 71.26 (2) (b) 14. of the statutes, as created by [1999 Wisconsin Act 9](#), is amended to read:

71.26 (2) (b) 14. For taxable years that begin after December 31, 1998, and before January 1, 2000, for a corporation, conduit or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#), applies for Wisconsin

1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#), “net income” means the federal regulated investment company taxable income, federal real estate mortgage investment conduit taxable income, federal real estate investment trust or financial asset securitization investment trust taxable income of the corporation, conduit or trust as determined under the Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#), except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected in the provisions applicable to this subchapter by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), [P.L. 106-36](#) and [P.L. 106-170](#), applies for Wisconsin





71.34 (1g) (L) "Internal Revenue Code" for tax-option corporations, for taxable years that begin after December 31, 1996, and before January 1, 1998, means the federal Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, except that section 1366 (f) (relating to pass-through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1996, do not apply to this paragraph with respect to taxable years beginning after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 25.** 71.34 (1g) (m) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

71.34 (1g) (m) "Internal Revenue Code" for tax-option corporations, for taxable years that begin after December 31, 1997, and before January 1, 1999, means the federal Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99-514 and section

1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, except that section 1366 (f) (relating to pass-through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170 apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 26.** 71.34 (1g) (n) of the statutes, as created by 1999 Wisconsin Act 9, is amended to read:

71.34 (1g) (n) "Internal Revenue Code" for tax-option corporations, for taxable years that begin after December 31, 1998, and before January 1, 2000, means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 106-36 and P.L. 106-170, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206 and P.L. 105-277, P.L. 106-36 and P.L. 106-170, except that section 1366 (f) (relating to pass-through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue

nue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1998, do not apply to this paragraph with respect to taxable years beginning after December 31, 1998, and before January 1, 2000, except that changes to the Internal Revenue Code made by P.L. 106-36 and P.L. 106-170 and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 106-36 and P.L. 106-170 apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 27.** 71.34 (1g) (o) of the statutes is created to read:

71.34 (1g) (o) "Internal Revenue Code" for tax-option corporations, for taxable years that begin after December 31, 1999, means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and P.L. 106-170, except that section 1366 (f) (relating to pass-through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1999, do not apply to this paragraph with respect to taxable years beginning after December 31, 1999.

**SECTION 28.** 71.365 (1m) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

71.365 (1m) TAX-OPTION CORPORATIONS; DEPRECIATION. A tax-option corporation may compute amortization and depreciation under either the federal Internal Revenue Code as amended to December 31, 1998 1999, or the federal Internal Revenue Code in effect for the taxable year for which the return is filed, except that property first placed in service by the taxpayer on or after January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and property first placed in ser-

vice in taxable year 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is required to be depreciated under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980. Any difference between the adjusted basis for federal income tax purposes and the adjusted basis under this chapter shall be taken into account in determining net income or loss in the year or years for which the gain or loss is reportable under this chapter. If that property was placed in service by the taxpayer during taxable year 1986 and thereafter but before the property is used in the production of income subject to taxation under this chapter, the property's adjusted basis and the depreciation or other deduction schedule are not required to be changed from the amount allowable on the owner's federal income tax returns for any year because the property is used in the production of income subject to taxation under this chapter. If that property was acquired in a transaction in taxable year 1986 or thereafter in which the adjusted basis of the property in the hands of the transferee is the same as the adjusted basis of the property in the hands of the transferor, the Wisconsin adjusted basis of that property on the date of transfer is the adjusted basis allowable under the Internal Revenue Code as defined for Wisconsin purposes for the property in the hands of the transferor.

**SECTION 29.** 71.42 (2) (e) of the statutes, as affected by 1999 Wisconsin Act 9, is repealed.

**SECTION 30.** 71.42 (2) (k) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

71.42 (2) (k) For taxable years that begin after December 31, 1996, and before January 1, 1998, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c) 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and P.L. 106-36, except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amend-

ments to the federal Internal Revenue Code enacted after December 31, 1996, do not apply to this paragraph with respect to taxable years beginning after December 31, 1996, and before January 1, 1998, except that changes to the Internal Revenue Code made by P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and P.L. [105-277](#) and P.L. [106-36](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [105-33](#), P.L. [105-34](#), P.L. [105-206](#) and P.L. [105-277](#) and P.L. [106-36](#), apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 31.** 71.42 (2) (L) of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

71.42 (2) (L) For taxable years that begin after December 31, 1997, and before January 1, 1999, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#), except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 32.** 71.42 (2) (m) of the statutes, as created by [1999 Wisconsin Act 9](#), is amended to read:

71.42 (2) (m) For taxable years that begin after December 31, 1998, and before January 1, 2000, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#)

and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as amended by P.L. [106-36](#) and P.L. [106-170](#), and as indirectly affected by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#) and P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#), except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1998, do not apply to this paragraph with respect to taxable years beginning after December 31, 1998, and before January 1, 2000, except that changes to the Internal Revenue Code made by P.L. [106-36](#) and P.L. [106-170](#) and changes that indirectly affect the provisions applicable to this subchapter made by P.L. [106-36](#) and P.L. [106-170](#) apply for Wisconsin purposes at the same time as for federal purposes.

**SECTION 33.** 71.42 (2) (n) of the statutes is created to read:

71.42 (2) (n) For taxable years that begin after December 31, 1999, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104 and 110 of P.L. [102-227](#), sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#) and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), and as indirectly affected by P.L. [99-514](#), P.L. [100-203](#), P.L. [100-647](#), P.L. [101-73](#), P.L. [101-140](#), P.L. [101-179](#), P.L. [101-239](#), P.L. [101-508](#), P.L. [102-227](#), excluding sections 103, 104 and 110 of P.L. [102-227](#), P.L. [102-318](#), P.L. [102-486](#), P.L. [103-66](#), excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. [103-66](#), P.L. [103-296](#), P.L. [103-337](#), P.L. [103-465](#), P.L. [104-7](#), P.L. [104-188](#), excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. [104-188](#), P.L. [104-191](#), P.L. [104-193](#), P.L. [105-33](#), P.L. [105-34](#), P.L. [105-178](#), P.L. [105-206](#), P.L. [105-277](#), P.L. [106-36](#) and P.L. [106-170](#), except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 1999, do not apply to this paragraph with respect to taxable years beginning after December 31, 1999.

**SECTION 34.** 71.45 (2) (a) 13. of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

71.45 (2) (a) 13. By adding or subtracting, as appropriate, the difference between the depreciation deduction under the federal Internal Revenue Code as amended to December 31, 1998 [1999](#) and the depreciation deduction under the federal Internal Revenue Code in effect for the taxable year for which the return is filed, so as to reflect the fact that the insurer may choose between these 2 deductions, except that property first placed in service by the taxpayer on or after January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and property first placed in service in taxable year 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is required to be depreciated under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980.

**SECTION 35.** 71.67 (5m) of the statutes is created to read:

71.67 (5m) A person that purchases an assignment of a lottery prize shall withhold from the amount of any payment made to purchase the assignment the amount that is determined by multiplying the amount of the payment by the highest rate applicable to individuals under s. 71.06 (1) (a) to (c), (1m), (1n) or (1p). Subsection (5) (b), (c) and (d), as it applies to the amounts withheld under sub. (5) (a), applies to the amount withheld under this subsection.

**SECTION 36.** 565.01 (2m) of the statutes is created to read:

565.01 (2m) "Federal income tax number" means either a taxpayer identification number or a federal employer identification number, as required by the internal revenue service.

**SECTION 37.** 565.30 (5) of the statutes, as affected by [1999 Wisconsin Act 9](#), is amended to read:

565.30 (5) WITHHOLDING OF DELINQUENT STATE TAXES, CHILD SUPPORT OR DEBTS OWED THE STATE. The administrator shall report the name, address and social security number or federal income tax number of each winner of a lottery prize equal to or greater than \$1,000 and the name, address and social security number or federal income tax number of each person to whom a lottery prize equal to or greater than \$1,000 has been assigned to

the department of revenue to determine whether the payee or assignee of the prize is delinquent in the payment of state taxes under ch. 71, 72, 76, 77, 78 or 139 or, if applicable, in the court-ordered payment of child support or has a debt owing to the state. Upon receipt of a report under this subsection, the department of revenue shall first ascertain based on certifications by the department of workforce development or its designee under s. 49.855 (1) whether any person named in the report is currently delinquent in court-ordered payment of child support and shall next certify to the administrator whether any person named in the report is delinquent in court-ordered payment of child support or payment of state taxes under ch. 71, 72, 76, 77, 78 or 139. Upon this certification by the department of revenue or upon court order the administrator shall withhold the certified amount and send it to the department of revenue for remittance to the appropriate agency or person. At the time of remittance, the department of revenue shall charge its administrative expenses to the state agency that has received the remittance. The administrative expenses received by the department of revenue shall be credited to the appropriation under s. 20.566 (1) (h). In instances in which the payee or assignee of the prize is delinquent both in payments for state taxes and in court-ordered payments of child support, or is delinquent in one or both of these payments and has a debt owing to the state, the amount remitted to the appropriate agency or person shall be in proportion to the prize amount as is the delinquency or debt owed by the payee or assignee.

**SECTION 38.** 565.30 (6r) (c) 10. of the statutes is created to read:

565.30 (6r) (c) 10. The individual or organization to whom part or all of the lottery prize is assigned specifies in an affidavit that the individual or organization agrees to withhold from any payment made to an assignor for the assignment of a lottery prize the amount calculated under s. 71.67 (5m) and agrees to deposit that amount as required under s. 71.67 (5m).

**SECTION 39. Initial applicability.**

(1) DEPRECIATION DEDUCTIONS. The treatment of sections 71.01 (7r), 71.26 (3) (y), 71.365 (1m) and 71.45 (2) (a) 13. of the statutes first applies to property placed in service in taxable years beginning on January 1, 2000.

(2) LOTTERY PRIZE ASSIGNMENT. The creation of section 565.30 (6r) (c) 10. of the statutes first applies to court orders issued on the effective date of this subsection.