

State of Wisconsin



2017 Senate Bill 2

Date of enactment: **March 9, 2017**
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2017 WISCONSIN ACT 2

AN ACT *to repeal* 71.775 (4) (a) 1. and 71.775 (4) (a) 2.; *to renumber and amend* 71.775 (4) (a) (intro.); *to amend* 71.20 (1), 71.24 (1), 71.24 (1m), 71.24 (9) (a), 71.29 (8) (a), 71.44 (1) (a), 71.44 (1m), 71.44 (4) (b), 71.84 (2) (a) and 71.84 (2) (c); and *to create* 71.775 (4) (fm) 3. of the statutes; **relating to:** due dates for filing income and franchise tax returns, paying estimated income and franchise tax installment payments, and filing withholding tax returns.

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

SECTION 1. 71.20 (1) of the statutes is amended to read:

71.20 (1) Every partnership shall furnish to the department a true and accurate statement, on or before April 15 of each year, ~~except that returns for fiscal years ending on some other date than December 31 shall be furnished on or before the 15th day of the 4th month following the close of such fiscal year~~ the date on which the partnership is required to file for federal income tax purposes, not including any extension, under the Internal Revenue Code, in such the manner and form and setting forth such the facts as the department deems necessary to enforce this chapter. A partnership that is the owner of a single-owner entity that is disregarded as a separate entity under section 7701 of the Internal Revenue Code shall include that entity's information on the owner's return under this subchapter. The statement shall be subscribed by one of the ~~members~~ partners of the partnership.

SECTION 2. 71.24 (1) of the statutes is amended to read:

71.24 (1) FILING RETURNS. Every corporation, except ~~corporations~~ a corporation all of whose income is exempt from taxation and except as provided in sub. (1m), shall

furnish to the department a true and accurate statement, on or before ~~March 15~~ of each year, ~~except that returns for fiscal years ending on some other date than December 31 shall be furnished on or before the 15th day of the 3rd month following the close of such fiscal year and except that returns for less than a full taxable year shall be furnished on or before the date applicable on which the corporation is required to file for federal income taxes tax purposes, not including any extension,~~ under the ~~internal revenue code~~ Internal Revenue Code, in such ~~the~~ manner and form and setting forth such ~~the~~ facts as the department deems necessary to enforce this chapter. Every corporation that is required to furnish a statement under this subsection and that has income that is not taxable under this subchapter shall include with its ~~the corporation's~~ the corporation's statement a report that identifies each item of its ~~the corporation's~~ the corporation's nontaxable income. The statement shall be subscribed by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other officer duly authorized so to act. In the case of a return made for a corporation by a fiduciary, the fiduciary shall subscribe the return. The fact that an individual's name is subscribed on the return shall be prima facie evidence that the individual is authorized to subscribe the return on behalf of the corporation.

* Section 991.11, WISCONSIN STATUTES: 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."

SECTION 2m. 71.24 (1m) of the statutes is amended to read:

71.24 (1m) UNRELATED BUSINESS INCOME STATEMENT. Every corporation subject to a tax on unrelated business income under s. 71.26 (1) (a), if that corporation is required to file for federal income tax purposes, shall furnish to the department of revenue a true and accurate statement on or before the date on ~~or before~~ which ~~it~~ the corporation is required to file for federal income tax purposes, not including any extension, under the Internal Revenue Code. The requirements about manner, form, and subscription under sub. (1) apply to statements under this subsection.

SECTION 3. 71.24 (9) (a) of the statutes is amended to read:

71.24 (9) (a) Corporation franchise and income taxes not paid on or before the ~~15th day of the 3rd month following the close of the taxable year~~ deadline for filing returns described in sub. (1) or (1m) shall be deemed delinquent.

SECTION 4. 71.29 (8) (a) of the statutes is amended to read:

71.29 (8) (a) The ~~3rd~~ 4th month of the taxable year, except that a taxpayer whose taxable year begins in April shall pay the installment in the 3rd month of the taxable year.

SECTION 5. 71.44 (1) (a) of the statutes is amended to read:

71.44 (1) (a) Every corporation, ~~except corporations~~ a corporation all of whose income is exempt from taxation and except as provided in sub. (1m), shall furnish to the department a true and accurate statement, on or before March 15 of each year, ~~except that returns for fiscal years ending on some other date than December 31 shall be furnished on or before the 15th day of the 3rd month following the close of such fiscal year and except that returns for less than a full taxable year shall be furnished on or before the date applicable on which the corporation is required to file for federal income taxes~~ tax purposes, not including any extension, under the internal revenue code Internal Revenue Code, in such the manner and form and setting forth such the facts as the department deems necessary to enforce this chapter. Every corporation that is required to furnish a statement under this paragraph and that has income that is not taxable under this subchapter shall include with its the corporation's statement a report that identifies each item of its the corporation's nontaxable income. The statement shall be subscribed by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other officer duly authorized so to act. In the case of a return made for a corporation by a fiduciary, the fiduciary shall subscribe the return. The fact that an individual's name is subscribed on the return shall be prima facie evidence that the individual is authorized to subscribe the return on behalf of the corporation.

SECTION 5m. 71.44 (1m) of the statutes is amended to read:

71.44 (1m) UNRELATED BUSINESS INCOME. Every corporation subject to a tax on unrelated business income under s. 71.26 (1) (a), if that corporation is required to file for federal income tax purposes, shall furnish to the department of revenue a true and accurate statement on or before the date on ~~or before~~ which ~~it~~ the corporation is required to file for federal income tax purposes, not including any extension, under the Internal Revenue Code. The requirements about manner, form, and subscription under sub. (1) apply to statements under this subsection.

SECTION 6. 71.44 (4) (b) of the statutes is amended to read:

71.44 (4) (b) Corporation franchise and income taxes not paid on or before the ~~15th day of the 3rd month following the close of the taxable year~~ deadline for filing returns described in sub. (1) or (1m) shall be deemed delinquent.

SECTION 7. 71.775 (4) (a) (intro.) of the statutes is renumbered 71.775 (4) (a) and amended to read:

71.775 (4) (a) Each pass-through entity that is subject to the withholding under sub. (2) shall file an annual return that indicates the withholding amount paid to the state during the pass-through entity's taxable year. The pass-through entity shall file the return with the department ~~no later than: on or before the date on which the pass-through entity is required to file for federal income tax purposes, not including any extension, under the Internal Revenue Code.~~

SECTION 8. 71.775 (4) (a) 1. of the statutes is repealed.

SECTION 9. 71.775 (4) (a) 2. of the statutes is repealed.

SECTION 10. 71.775 (4) (fm) 3. of the statutes is created to read:

71.775 (4) (fm) 3. The secretary of revenue determines that because of casualty, disaster, or other unusual circumstances it is not equitable to impose interest.

SECTION 11. 71.84 (2) (a) of the statutes is amended to read:

71.84 (2) (a) Except as provided in s. 71.29 (7), in the case of any underpayment of estimated tax by a corporation under s. 71.29 or 71.48, there shall be added to the aggregate tax for the taxable year interest at the rate of 12 percent per year on the amount of the underpayment for the period of the underpayment. ~~For corporations, except as provided in par. (b)~~ In this paragraph, "period of the underpayment" means the time period from the due date of the installment until either the 15th day of the 3rd month beginning after the end of the taxable year date on which the corporation is required to file for federal income tax purposes, not including any extension, under the Internal Revenue Code or the date of payment, whichever is earlier. If 90 percent of the tax shown on the return

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is not paid by the 15th day of the 3rd month following the close of the taxable year date on which the corporation is required to file for federal income tax purposes, not including any extension, under the Internal Revenue Code, the difference between that amount and the estimated taxes paid, along with any interest due, shall accrue delinquent interest under s. 71.91 (1) (a).

SECTION 12. 71.84 (2) (c) of the statutes is amended to read:

71.84 (2) (c) If a refund under s. 71.29 (3m) results in an income or franchise tax liability that is greater than the amount of estimated taxes paid ~~in~~ when reduced by the amount of the refund, the taxpayer shall add to the aggregate tax for the taxable year interest at an annual

rate of 12 percent on the amount of the unpaid tax liability for the period beginning on the date the refund is issued and ending on either the 15th day of the 3rd month beginning after the end of the taxable year, date on which the taxpayer is required to file for federal income tax purposes, not including any extension, under the Internal Revenue Code or the date the tax liability is paid, whichever is earlier.

SECTION 13. Initial applicability.

(1) This act first applies retroactively to taxable years beginning on January 1, 2016, except that if this subsection takes effect after March 14, 2017, this act first applies to taxable years beginning on January 1, 2017.
