



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Senate Bill 619

Senate Substitute Amendment 1

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Contact: Laura Rose, Deputy Director (266-9791)

2005 Senate Bill 619 revises provisions in current law relating to mergers, conversions, and other business combinations.

Senate Substitute Amendment 1 makes the following changes to the bill:

- Deletes the requirement in the bill that no exemption from a real estate transfer fee pursuant to mergers of corporations may be granted unless a certified copy of the document providing evidence of the merger or conversion, as filed with the state in which the surviving entity is organized, is submitted with the real estate transfer return.
- Requires merger and conversion real estate reports to include the federal employer identification number of each business entity that is a party to the merger or conversion.
- Requires merger and conversion reports to include the address of the surviving business entity, so that the Department of Revenue (DOR) may contact the person with regard to information submitted in the report; also requires inclusion of the address to which tax bills should be sent.
- Provides that merger and conversion real estate reports are confidential information.
- Requires that a form developed by the Department of Financial Institutions (DFI) for a certification of conversion must indicate that if the business entity that is to be converted has a fee simple ownership interest in Wisconsin real estate, the entity is required to file a report with the DOR.
- Requires that if the DFI prescribes a form for articles of merger, the form shall indicate that if a business entity that is acquired in the merger has a fee simple ownership interest in

Wisconsin real estate, the business entity that survives the merger is required to file a report with the DOR.

- Revises the conditions for merger of a subsidiary into a parent without approval of the shareholders of the parent or subsidiary.
- Requires DFI to provide quarterly reports to DOR of all mergers and conversions for which articles of merger or a certificate of conversion have been filed.

Legislative History

On March 1, 2006, the Senate Committee on Job Creation, Economic Development, and Consumer Affairs recommended adoption of Senate Substitute Amendment 1 by a vote of Ayes, 4; Noes, 0; and recommended passage of the bill, as amended, by a vote of Ayes, 4; Noes, 0.

LR:ksm