



## 2009 SENATE BILL 420

December 10, 2009 - Introduced by Senators GROTHMAN, HOLPERIN, KEDZIE, SULLIVAN, HARSDFORF and KAPANKE, cosponsored by Representatives STRACHOTA, ZIGMUNT, GOTTLIEB, BROOKS, KAUFERT, ZIPPERER, MURSAU, GUNDERSON, ZIEGELBAUER, VOS, KERKMAN, KRAMER, DAVIS, MONTGOMERY, TAUCHEN, VUKMIR, LEMAHIEU, SPANBAUER, J. OTT, KNODL, TOWNSEND, SUDER, HUEBSCH, HONADEL and GUNDRUM. Referred to Joint Committee on Finance.

1     **AN ACT to amend** 71.01 (6) (um), 71.22 (4) (um), 71.22 (4m) (sm), 71.26 (2) (b) 22.,  
2             71.34 (1g) (um) and 71.42 (2) (tm) of the statutes; **relating to:** adopting Internal  
3             Revenue Code provisions related to contributions to individual retirement  
4             accounts and retirement plans.

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### *Analysis by the Legislative Reference Bureau*

Under federal law, section 811 of Public Law 109-280, the Pension Protection Act of 2006, makes permanent the pension and IRA provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 and increases the amount that a taxpayer may contribute to retirement plans and IRAs. This bill adopts section 811 of Public Law 109-280 for state income and franchise tax purposes.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

5             **SECTION 1.** 71.01 (6) (um) of the statutes, as created by 2009 Wisconsin Act 28,  
6             is amended to read:

**SENATE BILL 420****SECTION 1**

1           71.01 (6) (um) For taxable years that begin after December 31, 2008, for  
2 natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust  
3 or reserve funds, “Internal Revenue Code” means the federal Internal Revenue Code  
4 as amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L.  
5 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,  
6 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3,  
7 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section  
8 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and  
9 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403  
10 (a) of P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and  
11 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
12 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section  
13 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402  
14 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, 512, and  
15 513 of P.L. 109–222, sections 811 and section 844 of P.L. 109–280, P.L. 109–432, P.L.  
16 110–28, P.L. 110–140, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, P.L.  
17 110–185, P.L. 110–234, P.L. 110–245, P.L. 110–289, P.L. 110–317, P.L. 110–343, and  
18 P.L. 110–351 and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647,  
19 P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–280, P.L. 101–508,  
20 P.L. 102–90, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.  
21 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
22 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
23 104–7, P.L. 104–117, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
24 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
25 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.

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1 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,  
2 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.  
3 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.  
4 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections  
5 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201  
6 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
7 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,  
8 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,  
9 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,  
10 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,  
11 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.  
12 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
13 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.  
14 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
15 109-227, P.L. 109-280, excluding sections ~~811~~ and section 844 of P.L. 109-280, and  
16 P.L. 110-458, The Internal Revenue Code applies for Wisconsin purposes at the same  
17 time as for federal purposes. Amendments to the federal Internal Revenue Code  
18 enacted after December 31, 2008, do not apply to this paragraph with respect to  
19 taxable years beginning after December 31, 2008.

20 **SECTION 2.** 71.22 (4) (um) of the statutes, as created by 2009 Wisconsin Act 28,  
21 is amended to read:

22 71.22 (4) (um) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
23 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after  
24 December 31, 2008, means the federal Internal Revenue Code as amended to  
25 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections

**SENATE BILL 420****SECTION 2**

1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
2 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.  
3 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.  
4 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.  
5 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.  
6 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
7 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
8 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.  
9 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
10 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.  
11 109-222, ~~sections 811 and section~~ section 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.  
12 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.  
13 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,  
14 and as indirectly affected in the provisions applicable to this subchapter by P.L.  
15 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812  
16 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.  
17 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
18 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.  
19 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and  
20 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.  
21 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.  
22 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.  
23 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,  
24 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding  
25 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,

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1 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.  
2 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.  
3 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.  
4 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403  
5 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336,  
6 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7,  
7 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
8 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.  
9 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding  
10 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and  
11 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,  
12 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding  
13 ~~sections 811 and~~ section 844 of P.L. 109-280, and P.L. 110-458. The Internal  
14 Revenue Code applies for Wisconsin purposes at the same time as for federal  
15 purposes. Amendments to the federal Internal Revenue Code enacted after  
16 December 31, 2008, do not apply to this paragraph with respect to taxable years  
17 beginning after December 31, 2008.

18 **SECTION 3.** 71.22 (4m) (sm) of the statutes, as created by 2009 Wisconsin Act  
19 28, is amended to read:

20 71.22 (4m) (sm) For taxable years that begin after December 31, 2008,  
21 “Internal Revenue Code,” for corporations that are subject to a tax on unrelated  
22 business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as  
23 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227,  
24 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections  
25 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and

**SENATE BILL 420****SECTION 3**

1 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of  
2 P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of  
3 P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of  
4 P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
5 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,  
6 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301  
7 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403  
8 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, 512, and 513 of  
9 P.L. 109–222, ~~sections 811 and~~ section 844 of P.L. 109–280, P.L. 109–432, P.L. 110–28,  
10 P.L. 110–140, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, P.L. 110–185,  
11 P.L. 110–234, P.L. 110–245, P.L. 110–289, P.L. 110–317, P.L. 110–343, and P.L.  
12 110–351, and as indirectly affected in the provisions applicable to this subchapter by  
13 P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179,  
14 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.  
15 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
16 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
17 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
18 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
19 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.  
20 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,  
21 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.  
22 107–134, P.L. 107–147, excluding sections 101 and 301 (a) of P.L. 107–147, P.L.  
23 107–181, P.L. 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27, excluding sections  
24 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201  
25 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306,

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1 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,  
2 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,  
3 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,  
4 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,  
5 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.  
6 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
7 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.  
8 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
9 109-227, and P.L. 109-280, excluding sections ~~811 and~~ section 844 of P.L. 109-280,  
10 and P.L. 110-458. The Internal Revenue Code applies for Wisconsin purposes at the  
11 same time as for federal purposes. Amendments to the Internal Revenue Code  
12 enacted after December 31, 2008, do not apply to this paragraph with respect to  
13 taxable years beginning after December 31, 2008.

14 **SECTION 4.** 71.26 (2) (b) 22. of the statutes, as created by 2009 Wisconsin Act  
15 28, is amended to read:

16 71.26 (2) (b) 22. For taxable years that begin after December 31, 2008, for a  
17 corporation, conduit, or common law trust which qualifies as a regulated investment  
18 company, real estate mortgage investment conduit, real estate investment trust, or  
19 financial asset securitization investment trust under the Internal Revenue Code as  
20 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227,  
21 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections  
22 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and  
23 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of  
24 P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of  
25 P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of

**SENATE BILL 420****SECTION 4**

1 P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910  
2 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,  
3 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301  
4 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403  
5 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, 512, and 513 of  
6 P.L. 109–222, ~~sections 811 and~~ section 844 of P.L. 109–280, P.L. 109–432, P.L. 110–28,  
7 P.L. 110–140, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, P.L. 110–185,  
8 P.L. 110–234, P.L. 110–245, P.L. 110–289, P.L. 110–317, P.L. 110–343, and P.L.  
9 110–351, and as indirectly affected in the provisions applicable to this subchapter by  
10 P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179,  
11 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.  
12 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
13 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
14 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
15 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.  
16 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.  
17 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,  
18 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.  
19 107–134, P.L. 107–147, excluding sections 101 and 301 (a) of P.L. 107–147, P.L.  
20 107–181, P.L. 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27, excluding sections  
21 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201  
22 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306,  
23 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 102,  
24 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375,  
25 P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310,



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1 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,  
2 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.  
3 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
4 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.  
5 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
6 109-227, P.L. 109-280, excluding ~~sections 811 and~~ section 844 of P.L. 109-280, and  
7 P.L. 110-458, “net income” means the federal regulated investment company taxable  
8 income, federal real estate mortgage investment conduit taxable income, federal real  
9 estate investment trust or financial asset securitization investment trust taxable  
10 income of the corporation, conduit, or trust as determined under the Internal  
11 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and  
12 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
13 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
14 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
15 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections  
16 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,  
17 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,  
18 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,  
19 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.  
20 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section  
21 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,  
22 503, 512, and 513 of P.L. 109-222, ~~sections 811 and~~ section 844 of P.L. 109-280, P.L.  
23 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L.  
24 110-172, P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L.  
25 110-343, and P.L. 110-351, and as indirectly affected in the provisions applicable to

**SENATE BILL 420****SECTION 4**

1 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
2 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
3 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding  
4 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.  
5 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections  
6 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.  
7 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.  
8 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of  
9 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.  
10 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a)  
11 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
12 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,  
13 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
14 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
15 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of  
16 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
17 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
18 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding  
19 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it  
20 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.  
21 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.  
22 109-222, P.L. 109-227, P.L. 109-280, excluding sections ~~811 and section~~ 844 of P.L.  
23 109-280, and P.L. 110-458, except that property that, under s. 71.02 (1) (c) 8. to 11.,  
24 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the  
25 Internal Revenue Code as amended to December 31, 1980, shall continue to be

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1 depreciated under the Internal Revenue Code as amended to December 31, 1980,  
2 and except that the appropriate amount shall be added or subtracted to reflect  
3 differences between the depreciation or adjusted basis for federal income tax  
4 purposes and the depreciation or adjusted basis under this chapter of any property  
5 disposed of during the taxable year. The Internal Revenue Code as amended to  
6 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections  
7 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
8 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.  
9 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.  
10 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.  
11 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.  
12 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
13 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
14 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.  
15 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
16 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.  
17 109-222, ~~sections 811 and~~ section 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.  
18 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.  
19 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,  
20 and as indirectly affected in the provisions applicable to this subchapter by P.L.  
21 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.  
22 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.  
23 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150  
24 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.  
25 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),

**SENATE BILL 420****SECTION 4**

1 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.  
2 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.  
3 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,  
4 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.  
5 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.  
6 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections  
7 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201  
8 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,  
9 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,  
10 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,  
11 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,  
12 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,  
13 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.  
14 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section  
15 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.  
16 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.  
17 109-227, P.L. 109-280, excluding sections ~~811 and section~~ 844 of P.L. 109-280, and  
18 P.L. 110-458, applies for Wisconsin purposes at the same time as for federal  
19 purposes. Amendments to the Internal Revenue Code enacted after December 31,  
20 2008, do not apply to this subdivision with respect to taxable years that begin after  
21 December 31, 2008.

22 **SECTION 5.** 71.34 (1g) (um) of the statutes, as created by 2009 Wisconsin Act  
23 28, is amended to read:

24 71.34 (1g) (um) “Internal Revenue Code” for tax-option corporations, for  
25 taxable years that begin after December 31, 2008, means the federal Internal

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1 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and  
2 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.  
3 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,  
4 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.  
5 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections  
6 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,  
7 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,  
8 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,  
9 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.  
10 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section  
11 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,  
12 503, 512, and 513 of P.L. 109-222, sections ~~811~~ and section 844 of P.L. 109-280, P.L.  
13 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L.  
14 110-172, P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L.  
15 110-343, and P.L. 110-351, and as indirectly affected in the provisions applicable to  
16 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803  
17 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section  
18 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239,  
19 P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.  
20 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),  
21 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.  
22 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605  
23 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.  
24 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.  
25 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,

**SENATE BILL 420****SECTION 5**

1 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.  
2 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.  
3 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and  
4 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.  
5 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,  
6 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211,  
7 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476,  
8 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
9 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146  
10 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,  
11 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
12 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections  
13 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280,  
14 excluding sections 811 and section 844 of P.L. 109-280, and P.L. 110-458 except that  
15 section 1366 (f) (relating to pass-through of items to shareholders) is modified by  
16 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The  
17 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal  
18 purposes. Amendments to the federal Internal Revenue Code enacted after  
19 December 31, 2008, do not apply to this paragraph with respect to taxable years  
20 beginning after December 31, 2008.

21 **SECTION 6.** 71.42 (2) (tm) of the statutes, as created by 2009 Wisconsin Act 28,  
22 is amended to read:

23 71.42 (2) (tm) For taxable years that begin after December 31, 2008, “Internal  
24 Revenue Code” means the federal Internal Revenue Code as amended to  
25 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections

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1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
2 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.  
3 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.  
4 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.  
5 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.  
6 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.  
7 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,  
8 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.  
9 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),  
10 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.  
11 109-222, ~~sections 811 and~~ section 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.  
12 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.  
13 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,  
14 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73,  
15 P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding  
16 sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66,  
17 excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,  
18 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding  
19 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191,  
20 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277,  
21 P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and  
22 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16,  
23 P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and  
24 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L.  
25 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L.

**SENATE BILL 420****SECTION 6**

1 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.  
2 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L.  
3 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and  
4 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding  
5 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351  
6 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73,  
7 excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201  
8 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.  
9 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and  
10 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding ~~sections 811 and section~~  
11 844 of P.L. 109-280, and P.L. 110-458, except that “Internal Revenue Code” does not  
12 include section 847 of the federal Internal Revenue Code. The Internal Revenue  
13 Code applies for Wisconsin purposes at the same time as for federal purposes.  
14 Amendments to the federal Internal Revenue Code enacted after December 31, 2008,  
15 do not apply to this paragraph with respect to taxable years beginning after  
16 December 31, 2008.

17

**(END)**