

No. 938, A.]

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CHAPTER 488

AN ACT to amend 71.07 (1); and to create 71.15 (7) of the statutes, relating to the treatment of interest received by corporations on state and federal tax refunds as income under the income tax law.

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

SECTION 1. 71.07 (1) of the statutes is amended to read:

71.07 (1) For the purposes of taxation income from business, not requiring apportionment under sub. (2), (3) or (5), shall follow the situs of the business from which derived. Income derived from rentals and royalties from real estate or tangible personal property, or from the operation of any farm, mine or quarry, or from the sale of real property or tangible personal property shall follow the situs of the property from which derived. All other income, including royalties from patents, income derived from personal services, professions and vocations and from land contracts, mortgages, stocks, bonds and securities or from the sale of similar intangible personal property, shall follow the residence of the recipient, except as provided in s. 71.08. *For the purposes of taxation, interest received on state and federal tax refunds when the tax refunded was on business income or property shall be deemed income from business and shall follow the situs of the business from which derived.*

SECTION 2. 71.15 (7) of the statutes is created to read:

71.15 (7) Section 71.07 (1), as amended by chapter 488, laws of 1959 (LRL 3797), shall be operative retroactively except in those instances in which assessment has become final under ch. 71.

Approved September 16, 1959.
