



2011 SENATE BILL 14

February 2, 2011 – Introduced by Senators LAZICH, GROTHMAN, HOPPER, ZIPPERER and HOLPERIN, cosponsored by Representatives MARKLEIN, RIPP, STRACHOTA, VAN ROY, STEINEKE, BROOKS, PETROWSKI, LEMAHIEU, JACQUE, VOS, T. LARSON, SPANBAUER, RIVARD and BIES. Referred to Committee on Public Health, Human Services, and Revenue.

1 **AN ACT** *to create* subchapter XVI of chapter 71 [precedes 71.98] of the statutes;
2 **relating to:** adopting federal bonus depreciation tax provisions for state
3 income and franchise tax purposes.

Analysis by the Legislative Reference Bureau

This bill adopts, for state income and franchise tax purposes, recent changes to federal law related to a depreciation allowance for certain property. Under the bill, generally, a taxpayer may take a depreciation deduction equal to 100 percent of the adjusted basis of qualified property for property placed in service after September 8, 2010, and before January 1, 2012. A taxpayer may take a 50 percent depreciation deduction for such property placed in service after December 31, 2011, and before January 1, 2013.

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

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

4 **SECTION 1.** Subchapter XVI of chapter 71 [precedes 71.98] of the statutes is
5 created to read:

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CHAPTER 71

SUBCHAPTER XVI

INTERNAL REVENUE CODE UPDATE

71.98 Internal Revenue Code update. The following federal laws, to the extent that they apply to the Internal Revenue Code, apply to this chapter:

(1) BONUS DEPRECIATION. Section 168 (k) of the Internal Revenue Code, as amended to December 31, 2010, relating to extending and increasing a special allowance for certain property acquired after September 8, 2010, and before January 1, 2012.

SECTION 2. Initial applicability.

(1) This act first applies to taxable years beginning on January 1, 2011.

(END)