



2009 SENATE BILL 416

December 2, 2009 - Introduced by Senators GROTHMAN, WIRCH, KAPANKE, DARLING, S. FITZGERALD, TAYLOR, KEDZIE, LEIBHAM, LAZICH, PLALE, OLSEN, SCHULTZ, HARSDORF and KANAVAS, cosponsored by Representatives STRACHOTA, KESTELL, VAN ROY, LOTHIAN, TOWNSEND, MEYER, KAUFERT, VOS, NEWCOMER, GOTTLIEB, KERKMAN, ZIEGELBAUER, MONTGOMERY, GUNDERSON, LEMAHIEU, ROTH, ZIPPERER, BALLWEG, BROOKS, HUEBSCH, SUDER, NYGREN and HONADEL. Referred to Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.

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 individual retirement accounts.

Analysis by the Legislative Reference Bureau

Under federal law, section 512 of Public Law 109-222, the Tax Increase Prevention and Reconciliation Act of 2005, allows taxpayers who have adjusted gross income over \$100,000 to convert amounts from a traditional individual retirement account (IRA) to a Roth IRA and pay the federal tax on the IRA distribution over two years. This bill adopts section 512 of Public Law 109-222 for state income and franchise tax purposes.

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.

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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:

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

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

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1 P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
2 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
3 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
4 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
5 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
6 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
7 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,
8 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.
9 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.
10 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections
11 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201
12 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
13 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,
14 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,
15 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,
16 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,
17 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.
18 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
19 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.
20 109-222, excluding sections 101, 207, 209, 503, ~~512~~, and 513 of P.L. 109-222, P.L.
21 109-227, P.L. 109-280, excluding sections ~~811~~ and section 844 of P.L. 109-280, and
22 P.L. 110-458, The Internal Revenue Code applies for Wisconsin purposes at the same
23 time as for federal purposes. Amendments to the federal Internal Revenue Code
24 enacted after December 31, 2008, do not apply to this paragraph with respect to
25 taxable years beginning after December 31, 2008.

SENATE BILL 416**SECTION 2**

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

3 71.22 (4) (um) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
4 (1g), and 71.42 (2), “Internal Revenue Code,” for taxable years that begin after
5 December 31, 2008, means the federal 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, excluding sections 803 (d) (2) (B), 805 (d) (2), 812
22 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L.
23 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.
24 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L.
25 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and

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1 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.
2 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
3 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
4 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
5 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
6 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,
7 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.
8 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.
9 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.
10 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403
11 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336,
12 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7,
13 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
14 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
15 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
16 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
17 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
18 209, 503, ~~512~~, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, excluding
19 ~~sections 811 and~~ section 844 of P.L. 109-280, and P.L. 110-458. The Internal
20 Revenue Code applies for Wisconsin purposes at the same time as for federal
21 purposes. Amendments to the federal Internal Revenue Code enacted after
22 December 31, 2008, do not apply to this paragraph with respect to taxable years
23 beginning after December 31, 2008.

24 **SECTION 3.** 71.22 (4m) (sm) of the statutes, as created by 2009 Wisconsin Act
25 28, is amended to read:

SENATE BILL 416**SECTION 3**

1 71.22 (4m) (sm) For taxable years that begin after December 31, 2008,
2 “Internal Revenue Code,” for corporations that are subject to a tax on unrelated
3 business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as
4 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227,
5 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections
6 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and
7 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of
8 P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of
9 P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of
10 P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
11 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
12 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301
13 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
14 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of
15 P.L. 109-222, sections 811 and section 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28,
16 P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185,
17 P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L.
18 110-351, and as indirectly affected in the provisions applicable to this subchapter by
19 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,
20 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
21 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
22 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
23 103-465, P.L. 104-7, 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, and P.L. 109-280, excluding sections ~~811~~ and section 844 of P.L. 109-280,
16 and P.L. 110-458. The Internal Revenue Code applies for Wisconsin purposes at the
17 same time as for federal purposes. Amendments to the 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 4.** 71.26 (2) (b) 22. of the statutes, as created by 2009 Wisconsin Act
21 28, is amended to read:

22 71.26 (2) (b) 22. For taxable years that begin after December 31, 2008, for a
23 corporation, conduit, or common law trust which qualifies as a regulated investment
24 company, real estate mortgage investment conduit, real estate investment trust, or
25 financial asset securitization investment trust under the Internal Revenue Code as

SENATE BILL 416**SECTION 4**

1 amended to December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102–227,
2 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections
3 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and
4 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of
5 P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of
6 P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of
7 P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
8 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
9 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301
10 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
11 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, ~~512~~, and 513 of
12 P.L. 109–222, ~~sections 811 and~~ section 844 of P.L. 109–280, P.L. 109–432, P.L. 110–28,
13 P.L. 110–140, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, P.L. 110–185,
14 P.L. 110–234, P.L. 110–245, P.L. 110–289, P.L. 110–317, P.L. 110–343, and P.L.
15 110–351, and as indirectly affected in the provisions applicable to this subchapter by
16 P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179,
17 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.
18 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150
19 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.
20 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),
21 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.
22 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L.
23 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15,
24 P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L.
25 107–134, P.L. 107–147, excluding sections 101 and 301 (a) of P.L. 107–147, P.L.

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1 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections
2 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201
3 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
4 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,
5 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,
6 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,
7 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,
8 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.
9 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
10 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.
11 109-222, excluding sections 101, 207, 209, 503, ~~512~~, and 513 of P.L. 109-222, P.L.
12 109-227, P.L. 109-280, excluding sections ~~811 and~~ section 844 of P.L. 109-280, and
13 P.L. 110-458, “net income” means the federal regulated investment company taxable
14 income, federal real estate mortgage investment conduit taxable income, federal real
15 estate investment trust or financial asset securitization investment trust taxable
16 income of the corporation, conduit, or trust as determined under the Internal
17 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and
18 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
19 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
20 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.
21 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections
22 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,
23 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
24 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,
25 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.

SENATE BILL 416**SECTION 4**

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

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1 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
2 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, ~~512~~, and 513 of P.L.
3 109-222, P.L. 109-227, P.L. 109-280, excluding ~~sections 811 and~~ section 844 of P.L.
4 109-280, and P.L. 110-458, except that property that, under s. 71.02 (1) (c) 8. to 11.,
5 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the
6 Internal Revenue Code as amended to December 31, 1980, shall continue to be
7 depreciated under the Internal Revenue Code as amended to December 31, 1980,
8 and except that the appropriate amount shall be added or subtracted to reflect
9 differences between the depreciation or adjusted basis for federal income tax
10 purposes and the depreciation or adjusted basis under this chapter of any property
11 disposed of during the taxable year. The Internal Revenue Code as amended to
12 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections
13 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
14 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.
15 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.
16 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.
17 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.
18 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
19 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
20 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.
21 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
22 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, ~~512~~, and 513 of P.L.
23 109-222, ~~sections 811 and~~ section 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.
24 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.
25 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,

SENATE BILL 416**SECTION 4**

1 and as indirectly affected in the provisions applicable to this subchapter by P.L.
2 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.
3 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
4 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
5 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
6 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
7 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
8 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
9 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,
10 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.
11 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.
12 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections
13 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201
14 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
15 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102,
16 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,
17 P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,
18 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59,
19 excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L.
20 109-73, P.L. 109-135, excluding 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, P.L. 109-151, P.L.
22 109-222, excluding sections 101, 207, 209, 503, ~~512~~, and 513 of P.L. 109-222, P.L.
23 109-227, P.L. 109-280, excluding sections ~~811~~ and section 844 of P.L. 109-280, and
24 P.L. 110-458, applies for Wisconsin purposes at the same time as for federal
25 purposes. Amendments to the Internal Revenue Code enacted after December 31,

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1 2008, do not apply to this subdivision with respect to taxable years that begin after
2 December 31, 2008.

3 **SECTION 5.** 71.34 (1g) (um) of the statutes, as created by 2009 Wisconsin Act
4 28, is amended to read:

5 71.34 (1g) (um) "Internal Revenue Code" for tax-option corporations, for
6 taxable years that begin after December 31, 2008, means the federal Internal
7 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and
8 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
9 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
10 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.
11 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections
12 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,
13 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
14 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,
15 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.
16 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section
17 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,
18 503, 512, and 513 of P.L. 109-222, ~~sections 811 and~~ section 844 of P.L. 109-280, P.L.
19 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L.
20 110-172, P.L. 110-185, P.L. 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L.
21 110-343, and P.L. 110-351, and as indirectly affected in the provisions applicable to
22 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803
23 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section
24 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239,
25 P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.

SENATE BILL 416**SECTION 5**

1 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
2 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
3 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
4 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
5 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
6 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
7 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.
8 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.
9 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
10 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
11 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,
12 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211,
13 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476,
14 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
15 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146
16 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
17 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
18 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections
19 101, 207, 209, 503, ~~512~~, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280,
20 excluding sections ~~811 and~~ section 844 of P.L. 109-280, and P.L. 110-458 except that
21 section 1366 (f) (relating to pass-through of items to shareholders) is modified by
22 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
23 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
24 purposes. Amendments to the federal Internal Revenue Code enacted after

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1 December 31, 2008, do not apply to this paragraph with respect to taxable years
2 beginning after December 31, 2008.

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

5 71.42 (2) (tm) For taxable years that begin after December 31, 2008, "Internal
6 Revenue Code" means the federal Internal Revenue Code as amended to
7 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections
8 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
9 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.
10 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.
11 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.
12 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.
13 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
14 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
15 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.
16 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
17 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.
18 109-222, ~~sections 811 and~~ section 844 of P.L. 109-280, P.L. 109-432, P.L. 110-28, P.L.
19 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L.
20 110-234, P.L. 110-245, P.L. 110-289, P.L. 110-317, P.L. 110-343, and P.L. 110-351,
21 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73,
22 P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding
23 sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66,
24 excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
25 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding

SENATE BILL 416**SECTION 6**

1 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191,
2 P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277,
3 P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and
4 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16,
5 P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and
6 301 (a) of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L. 107–276, P.L. 107–358, P.L.
7 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L.
8 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L.
9 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L.
10 108–357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and
11 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding
12 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
13 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73,
14 excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201
15 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.
16 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, 512, and
17 513 of P.L. 109–222, P.L. 109–227, P.L. 109–280, excluding ~~sections 811 and~~ section
18 844 of P.L. 109–280, and P.L. 110–458, except that “Internal Revenue Code” does not
19 include section 847 of the federal Internal Revenue Code. The Internal Revenue
20 Code applies for Wisconsin purposes at the same time as for federal purposes.
21 Amendments to the federal Internal Revenue Code enacted after December 31, 2008,
22 do not apply to this paragraph with respect to taxable years beginning after
23 December 31, 2008.

24

(END)