



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.

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.

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)