AN ACT to repeal 74.41 (2) (a); to renumber and amend 71.255 (2) (c), 71.34 (1k) (h), 125.02 (18), 139.11 (4) (a) and 196.025 (6) (d) 2.; to consolidate, renumber and amend 196.025 (6) (d) (intro.) and 1.; to amend 70.52, 71.05 (25) (a) 2., 71.255 (7) (b) 7., 74.41 (2) (intro.), 74.41 (2) (b), 77.70, 77.76 (3), 77.82 (8), 77.98 (3), 77.98 (4) (a), 125.29 (6), 139.38 (6), 139.82 (6), 177.24 (3) (a), 196.025 (6) (b) 1., 196.025 (6) (b) 2., 196.025 (6) (c) 2., 565.02 (1) (c), 565.02 (2) (d), 565.25 (4) and 565.30 (5); and to create 71.05 (25) (a) 1m., 71.05 (26) (a) 2m., 71.255 (2) (c) 2., 71.255 (2) (c) 3., 71.34 (1k) (h) 1., 71.34 (1k) (h) 2., 74.41 (2) (bm), 77.51 (13) (fm), 77.52 (2m) (am), 77.54 (64), 125.02 (18) (a) to (h), 139.11 (4) (a) 2., 177.24 (3) (c), 196.025 (6) (cm), 565.01 (6p), 565.17 (1m) and 565.40 (3) of the statutes; relating to: tax administration changes, the police and fire protection fee, defining restaurant for purposes of alcohol beverage regulation, lottery ticket couriers, background investigations of persons associated with the lottery, and providing a criminal penalty.

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

SECTION 1. 70.52 of the statutes is amended to read:

70.52 Clerks to examine and correct rolls. Each city, village, and town clerk upon receipt of the assessment roll shall carefully examine the roll. The clerk shall correct all double assessments, imperfect descriptions, and other errors apparent upon the face of the roll, and strike off all correct the value of parcels of real property not liable to taxation. The clerk shall add to the roll any parcel of real property not listed on the assessment roll or item of personal property omitted by the assessors from the roll and immediately notify the assessors of the additions and omissions. The assessors shall immediately view and value the omitted property and certify the valuation to the clerk. The clerk shall enter the valuation upon and property classification on the roll, and the valuation shall be final. To enable the clerk to properly correct defective descriptions, the clerk may request aid, when necessary, from the county surveyor, whose fees for the services rendered shall be paid by the city, village, or town.

SECTION 2. 71.05 (25) (a) 1m. of the statutes is created to read:

71.05 (25) (a) 1m. “Investment” means amounts paid to acquire stock or other ownership interest in a partnership, corporation, tax−option corporation, or limited liability company treated as a partnership or corporation.

SECTION 3. 71.05 (25) (a) 2. of the statutes is amended to read:

71.05 (25) (a) 2. “Qualifying gain” means a long−term capital gain under the Internal Revenue Code realized from the sale of an investment made after December 31, 2010, and held for at least 5 uninterrupted years in a business that for the year of investment and at least 2 of the 4 subsequent years was a qualified Wisconsin business; except that a qualifying gain may not include any amount for which the claimant claimed a subtraction under sub. (24) (b) or any gain described under sub. (26) (b) and may not exceed the fair market value of the

* Section 991.11, WISCONSIN STATUTES: Effective date of acts. “Every act and every portion of an act enacted by the legislature over the governor’s partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication.”
investment on the date sold, less the fair market value of the investment on the date acquired.

SECTION 4. 71.05 (26) (a) 2m. of the statutes is created to read:
71.05 (26) (a) 2m. “Investment” means amounts paid to acquire stock or other ownership interest in a partnership, corporation, tax–option corporation, or limited liability company treated as a partnership or corporation.

SECTION 5. 71.255 (2) (c) of the statutes is renumbered 71.255 (2) (c) 1. and amended to read:
71.255 (2) (c) 1. Except as provided in par. (d), if 80 percent or more of a corporation’s worldwide income is active foreign business income, as defined in section 561 (e) (1) (B) of the Internal Revenue Code, the income and apportionment factor or factors of the corporation shall not be included in the combined report, but the corporation shall compute and allocate or apportion its income from the unitary business separately.

SECTION 6. 71.255 (2) (c) 2 of the statutes is created to read:
71.255 (2) (c) 2. For purposes of subd. 1., “active foreign business income” means gross income derived from sources outside the United States, as determined in subchapter N of the Internal Revenue Code, including income of a subsidiary corporation, and attributable to the active conduct of a trade or business in a foreign country or in a U.S. possession.

SECTION 7. 71.255 (2) (c) 3. of the statutes is created to read:
71.255 (2) (c) 3. For purposes of subd. 2., a corporation is considered a subsidiary if the parent corporation owns, directly or indirectly, stock with at least 50 percent of the total voting power of the corporation and the stock has a value equal to at least 50 percent of the total value of the stock of the corporation.

SECTION 8. 71.255 (7) (b) 7. of the statutes is amended to read:
71.255 (7) (b) 7. Executing waivers, closing agreements, powers of attorney, and other documents as necessary or required regarding the combined report filed under sub. (2) (a). Any waiver, agreement, power of attorney, or document executed by the designated agent relating to a combined report shall be considered as executed by all members of the combined group, including any corporation not included in the combined report that the department asserts is a member of the combined group.

SECTION 9. 71.34 (1k) (h) of the statutes is renumbered 71.34 (1k) (h) (intro.) and amended to read:
71.34 (1k) (h) (intro.) Section 162 of the internal revenue code Internal Revenue Code (relating to trade or business expenses) is modified so as follows:
3. So that payments for wages, salaries, bonuses, interest or other expenses paid to an entertainer or entertainment corporation may be deducted only if the corporation complies with ss. 71.63 (3) (b), 71.64 (4) and (5), and 71.80 (15) (e).

SECTION 10. 71.34 (1k) (h) 1. of the statutes is created to read:
71.34 (1k) (h) 1. So that payments for wages, salaries, commissions, and bonuses of employees and officers may be deducted only if the name, address, and amount paid to each resident of this state to whom compensation of $600 or more has been paid during the taxable year is reported or if the department of revenue is satisfied that failure to report has resulted in no revenue loss to this state.

SECTION 11. 71.34 (1k) (h) 2. of the statutes is created to read:
71.34 (1k) (h) 2. So that payments for rent may be deducted only if the amount paid, together with the names and addresses of the parties to whom rent has been paid, is reported as provided under s. 71.70 (2).

SECTION 12. 74.41 (2) (intro.) of the statutes is amended to read:
74.41 (2) AMOUNT REQUIRED FOR SUBMISSION. (intro.) A tax may be included on a form submitted under sub. (1) only if one of the following applies:

SECTION 13. 74.41 (2) (a) of the statutes is repealed.

SECTION 14. 74.41 (2) (b) of the statutes is amended to read:
74.41 (2) (b) The tax under sub. (1) for any single description of property in the tax roll for any one year is $500 or $250 or more.

SECTION 15. 74.41 (2) (bm) of the statutes is created to read:
74.41 (2) (bm) The tax under sub. (1) was refunded or rescinded for any of the 5 assessment years immediately preceding the year in which the form under sub. (1) is submitted or refunded or rescinded because of a court determination and submitted under sub. (1) no later than one year after the date of the court’s determination.

SECTION 16. 77.51 (13) (fm) of the statutes is created to read:
77.51 (13) (fm) A person selling, performing, or furnishing any service under s. 77.52 (2) (a) 5. or 12. to a service provider described in s. 77.52 (2m) (am).

SECTION 17. 77.52 (2m) (am) of the statutes is created to read:
77.52 (2m) (am) A person selling, performing, or furnishing any service in sub. (2) (a) 1., regardless of whether the selling, performing, or furnishing of the service is a retail sale, is the consumer of any services under sub. (2) (a) 5. or 12. purchased by the person for the person’s use or for the use of the person’s customers.

SECTION 24. 77.54 (64) of the statutes is created to read:
77.54 (64) The sales price from the sale of and the storage, use, or other consumption of patient health care
records that are sold to the patient or to a person that the patient authorizes to receive the records.

**SECTION 25.** 77.70 of the statutes is amended to read: 77.70 Adoption by county ordinance. Any county desiring to impose county sales and use taxes under this subchapter may do so by the adoption of an ordinance, stating its purpose and referring to this subchapter. The rate of the tax imposed under this section is 0.5 percent of the sales price or purchase price. The county sales and use taxes may be imposed only for the purpose of directly reducing the property tax levy and only in their entirety as provided in this subchapter. That ordinance shall be effective on the first day of January, the first day of April, the first day of July or the first day of October. A certified copy of that ordinance shall be delivered to the secretary of revenue at least 120 days prior to its effective date. The repeal of any such ordinance shall be effective on December 31. A certified copy of a repeal ordinance shall be delivered to the secretary of revenue at least 120 days before the effective date of the repeal. Except as provided under s. 77.60 (9), the department of revenue may not issue any assessment nor act on any claim for a refund or any claim for an adjustment under s. 77.585 after the end of the calendar year that is 4 years after the year in which the county has enacted a repeal ordinance under this section.

**SECTION 26.** 77.76 (3) of the statutes is amended to read: 77.76 (3) From the appropriation under s. 20.835 (4) (g) the department of revenue shall distribute 98.25 percent of the county taxes reported for each enacting county, minus the county portion of the retailers’ discounts, to the county and shall indicate the taxes reported by each taxpayer, no later than 75 days following the last day of the calendar quarter in which such amounts were reported. In this subsection, the “county portion of the retailers’ discount” is the amount determined by multiplying the total retailers’ discount by a fraction the numerator of which is the gross county sales and use taxes payable and the denominator of which is the sum of the gross state and county sales and use taxes payable. The county taxes distributed shall be increased or decreased to reflect subsequent refunds, audit adjustments, and all other adjustments of the county taxes previously distributed. Interest paid on refunds of county sales and use taxes shall be paid from the appropriation under s. 20.835 (4) (g) at the rate paid by this state under s. 77.60 (1) (a). The county may retain the amount it receives or it may distribute all or a portion of the amount it receives to the towns, villages, cities, and school districts in the county. After receiving notice from the department of revenue, a county shall reimburse the department for the amount by which any refunds, including interest, of the county’s sales and use taxes that the department pays or allows in a reporting period exceeds the amount of the county’s sales and use taxes otherwise payable to the county under this subsection for the same or subsequent reporting period. Any county receiving a report under this subsection is subject to the duties of confidentiality to which the department of revenue is subject under s. 77.61 (5) and (6).

**SECTION 27.** 77.82 (8) of the statutes is amended to read: 77.82 (8) Order. If an application under sub. (2), (4m), or (12) is approved, the department shall issue an order designating the land as managed forest land for the time period specified in the application. If an application under sub. (4) is approved, the department shall amend the original order to include the additional parcel. The department shall provide the applicant with a copy of the order or amended order and shall also file a copy with the department of revenue, the supervisor of assessments, and the clerk of each municipality in which the land is located, and shall record the order with the register of deeds in each county in which the land is located.

**SECTION 28.** 77.98 (3) of the statutes is amended to read: 77.98 (3) Except as provided in sub. (4), for purposes of sub. (1) (a), “premises” shall be broadly construed and shall include the lobby, aisles, and auditorium of a theater or the seating, aisles, and parking area of an arena, a rink, or a stadium, or the parking area of a drive-in or an outdoor theater. The premises of a caterer with respect to catered meals or beverages shall be the place where served.

**SECTION 29.** 77.98 (4) (a) of the statutes is amended to read: 77.98 (4) (a) Except as provided in par. (b), the tax imposed under this section shall not be imposed on the sale of alcoholic beverages, candy, prepared food, or soft drinks sold by a person primarily engaged, as determined by the department, in the retail trade as a food and beverage store, as classified under sector 44−45, subsector 445, of the North American Industry Classification System, 1997 2017 edition, published by the U.S. office of management and budget, beginning on the first day of the calendar quarter that is at least 120 days after the date on which the bonds issued by the district under subch. II of ch. 229 during the first 60 months after April 26, 1994, and any debt issued to fund or refund those bonds, are retired. The district shall notify the department of revenue, in the manner prescribed by the department, when such bonds and debt are retired.

**SECTION 30.** 125.02 (18) of the statutes is renumbered 125.02 (18) (intro.) and amended to read: 125.02 (18) (intro.) “Restaurant” means a restaurant, as defined in s. 97.01 (14g), any building, room, or place where meals are prepared or served or sold to transients or the general public, including all places used in connection with it and including any public or private school lunchroom for which food service is provided by contract. For purposes of this subsection, “meals” does not
include soft drinks, ice cream, milk, milk drinks, ices, and confections. “Restaurant” does not include any of the following:

**SECTION 31.** 125.02 (18) (a) to (h) of the statutes are created to read:

125.02 (18) (a) Taverns that serve free lunches consisting of popcorn, cheese, crackers, pretzels, cold sausage, cured fish, or bread and butter.

(b) Churches, religious, fraternal, youths’ or patriotic organizations, service clubs and civic organizations which occasionally prepare, serve, or sell meals to transients or the general public.

(c) Any public or private school lunchroom for which food service is directly provided by the school, or a private individual selling foods from a movable or temporary stand at public farm sales.

(d) Any bed and breakfast establishment, as defined in s. 97.01 (1g), that serves breakfasts only to its lodgers.

(e) The serving of food or beverage through a licensed vending machine, as defined in s. 97.01 (15p).

(f) Any college campus, as defined in s. 36.05 (6m), institution as defined in s. 36.51 (1) (b), or technical college that serves meals only to the students enrolled in the college campus, institution, or technical college or to authorized elderly persons under s. 36.51 or 38.36.

(g) A concession stand at a locally sponsored sporting event, such as a little league game.

(h) A potluck event, as defined in s. 97.01 (13g).

**SECTION 32.** 125.29 (6) of the statutes is amended to read:

125.29 (6) **RESTAURANTS.** A brewer may operate a restaurant on the brewery premises and at an off-site retail outlet established by the brewer. A brewer may not hold a license under s. 97.30 for a restaurant for the operation of operate a restaurant at any other location except that a brewer may possess or hold an indirect interest in a Class “B” license for not more than 20 restaurants in each of which the sale of alcohol beverages accounts for less than 60 percent of the restaurant’s gross receipts if no fermented malt beverages manufactured by the brewer are offered for sale in any of these restaurants.

**SECTION 33.** 139.11 (4) (a) of the statutes is renumbered 139.11 (4) (a) (intro.) and amended to read:

139.11 (4) (a) Sections 71.78 (1), (1m), and (4) to (9) and 71.83 (2) (a) 3. and 3m., relating to confidentiality of income and franchise tax returns, apply to any information obtained from any person on a cigarette tax return, report, schedule, exhibit, or other document or from an audit report pertaining to the same return, report, schedule, exhibit, or document, except that the department shall publish on its Internet site, at least quarterly, a current list of permits issued to distributors and jobbers under s. 139.34 and include on the list the name and address of the permit holder and the date on which the department issued the permit.

**SECTION 34.** 139.11 (4) (a) 2. of the statutes is created to read:

139.11 (4) (a) 2. A current list, available on paper and on the department’s Internet site, providing detailed information regarding every person issued a wholesalers permit under s. 125.28, brewers permit under s. 125.29, brewpub permit under s. 125.295, or out-of-state shipper permit under s. 125.30. The information provided under this subdivision shall include the name and address of the permit holder and the date on which the department issued the permit.

**SECTION 35.** 139.38 (6) of the statutes is amended to read:

139.38 (6) Sections 71.78 (1), (1m), and (4) to (9) and 71.83 (2) (a) 3. and 3m., relating to confidentiality of income and franchise tax returns, apply to any information obtained from any person on a tobacco product tax return, report, schedule, exhibit, or other document or from an audit report pertaining to the same return, report, schedule, exhibit, or document, except that the department shall publish on its Internet site, at least quarterly, a current list of permits issued to distributors and jobbers under s. 139.79 and include on the list the name and address of the permit holder and the date on which the department issued the permit.

**SECTION 36.** 139.82 (6) of the statutes is amended to read:

139.82 (6) Sections 71.78 (1), (1m), and (4) to (9) and 71.83 (2) (a) 3. and 3m., relating to confidentiality of income and franchise tax returns, apply to any information obtained from any person on a tobacco product tax return, report, schedule, exhibit, or other document or from an audit report pertaining to the same return, report, schedule, exhibit, or document, except that the department shall publish on its Internet site, at least quarterly, a current list of permits issued to distributors and jobbers under s. 139.79 and include on the list the name and address of the permit holder and the date on which the department issued the permit.

**SECTION 37.** 177.24 (3) (a) of the statutes is amended to read:

177.24 (3) (a) Except as provided in pars. (b) and (c), if a claim is allowed, the administrator shall deliver the property to the claimant or pay the claimant the amount the administrator actually received or the net proceeds of the sale of the property, together with any additional amount required under s. 177.21. If the property claimed was interest bearing to the owner on the date of surrender by the holder, the administrator shall pay interest at a rate of 6 percent per year or any lesser rate the property earned while in the possession of the holder. Interest begins to accrue when the property is delivered to the administrator and ceases on the earlier of the expiration of 10 years after delivery or the date on which payment is made to the owner. No interest on interest-bearing property is payable for any period before December 31, 1984.

**SECTION 38.** 177.24 (3) (c) of the statutes is created to read:
177.24(3) (c) The administrator shall not pay interest under par. (a) on claimed property that is a U.S. savings bond.

Section 39. 196.025 (6) (b) 1. of the statutes is amended to read:

196.025 (6) (b) 1. Except as provided in subd. 2., a communications provider shall impose a monthly fee of $0.75 on each communications service connection with an assigned telephone number, including a communication service provided via a voice over Internet protocol connection. If a communications provider provides multiple communications service connections to a subscriber, the fee required to be collected by the communications provider under this subdivision shall be a separate fee under this subdivision on each of the first 10 connections and one additional fee for each 10 additional connections per billed account. A communications provider may list the fee separately from other charges on a subscriber’s bill, and if a communications provider does so, the communications provider shall identify the fee as “police and fire protection fee,” or, if the communications provider combines the fee with a charge imposed under s. 256.35 (3), the communications provider shall identify the combined fee and charge as “charge for funding countywide 911 systems plus police and fire protection fee.” Any partial payment of a fee by a subscriber shall first be applied to any amount the subscriber owes the communications provider for communications service.

Section 40. 196.025 (6) (b) 2. of the statutes is amended to read:

196.025 (6) (b) 2. A communications provider that offers a prepaid wireless telecommunications plan, or a retailer that offers such a plan on behalf of a communications provider, shall impose a fee equal to $0.38 on each retail transaction for such a plan that occurs in this state. A communications provider or retailer may state the amount of the fee as “police and fire protection fee.”

Section 41. 196.025 (6) (c) 2. of the statutes is amended to read:

196.025 (6) (c) 2. The commission may contract with the department for the collection of fees imposed under par. (b). If the commission and department enter into such a contract, no later than the first calendar month following the calendar month in which a communications provider or retailer receives from a subscriber a fee imposed under par. (b), the communications provider or retailer shall remit the fee to the department.

Section 42. 196.025 (6) (cm) of the statutes is created to read:

196.025 (6) (cm) If the commission contracts with the department to collect fees as provided under par. (c) 2., all of the following apply:

1. The department may require communications providers and retailers to register with the department, file returns with the department, and pay the fees required under this section to the department in the manner and form prescribed by the department, subject to par. (c) 2.

2. a. The department may determine compliance with this section using a field or office audit. Sections 77.59 (1) to (5m), (8), and (8m) and 77.62, as they apply to taxes under subch. III of ch. 77, apply to fees required under this section.

b. If, as a result of an audit under subd. 2. a., the department provides a notice to a communications provider or retailer about a fee amount that is due, a refund that is due to the communications provider or retailer, or a refund claim denial, and the communications provider or retailer disagrees with the notice, the communications provider or retailer may petition the department for a redetermination. The petition for redetermination shall be in writing and signed and shall state the facts and reasons for disagreeing with the amount due, refund due, or refund claim denial and include supporting documents. A communications provider or retailer shall mail or transmit by fax machine the petition within 60 days after the department mails the notice of a fee due, a refund, or a refund claim denial. The petition shall be submitted to the address or fax number provided in the notice. A petition that is mailed is considered timely if it is postmarked on or before the date provided in the notice and is received by the department within 5 days of that date.

c. Within 6 months of the receipt by the department of a petition for redetermination under subd. 2. b., the department shall notify the communications provider or retailer of its redetermination. The redetermination is final 30 days after mailing unless, within that 30–day period, the communications provider or retailer files an objection to the redetermination with the commission as provided under subd. 2. d.

d. Within 30 days after a redetermination under subd. 2. c. is mailed, the communications provider or retailer may file an objection to that redetermination with the commission. The objection shall set out in detail the grounds upon which the communications provider or retailer finds the redetermination to be erroneous. The commission, after providing no less than 10 days’ notice to the communications provider or retailer, shall hold a hearing on the objection. After the hearing, the commission shall mail its decision on the objection, including any amount to be paid, by registered mail. If the amount to be paid is not paid within 10 days after the decision has
been mailed, the commission or department may bring an action to collect any amount that is due under this section.

3. A decision of the commission under subd. 2. d. may be reviewed under s. 227.52.

SECTION 43. 196.025 (6) (d) (intro.) and 1. of the statutes are consolidated, renumbered 196.025 (6) (d) and amended to read:

196.025 (6) (d) The commission may do any of the following: Promulgate promulgate rules for administering this subsection.

SECTION 44. 196.025 (6) (d) 2. of the statutes is renumbered 196.025 (6) (e) and amended to read:

196.025 (6) (e) Bring The commission or the department may bring an action to collect any amount that is required to be remitted under par. (c).

SECTION 45. 565.01 (6p) of the statutes is created to read:

565.01 (6p) “Ticket courier service” means a service operated for the purpose of purchasing Wisconsin lottery tickets on behalf of individuals located within or outside this state and delivering or transmitting those Wisconsin lottery tickets, or electronic images of those Wisconsin lottery tickets, to those individuals as a for-profit, business service.

SECTION 46. 565.02 (1) (c) of the statutes is amended to read:

565.02 (1) (c) Before appointment of an administrator is made, the department, with the assistance of the department of justice, shall conduct a background investigation of the proposed administrator. The department shall require the proposed administrator to be photographed and fingerprinted on 2 fingerprint cards each bearing a complete set of the person’s fingerprints. The department of justice may submit the fingerprint cards fingerprints to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrests and convictions. The department, with the assistance of the department of justice, shall repeat the background investigation of each employee every 5 years.

The department shall reimburse the department of justice for the department’s department of justice’s services under this paragraph.

SECTION 48. 565.17 (1m) of the statutes is created to read:

565.17 (1m) TICKET COURIERS PROHIBITED. No person may operate a ticket courier service in this state.

SECTION 49. 565.25 (4) of the statutes is amended to read:

565.25 (4) BACKGROUND INVESTIGATIONS. The department of justice shall conduct a background investigation of any person proposing to contract or contracting for a major procurement and of all partners, members, officers, directors, owners and beneficial owners identified under sub. (3) (b). The department of justice may require the person and partners, members, officers, directors and shareholders identified under sub. (3) (b) to be photographed and fingerprinted on 2 fingerprint cards each bearing a complete set of the person’s fingerprints.

The department of justice may submit the fingerprint cards fingerprints to the federal bureau of investigation for the purposes of verifying the identity of the persons fingerprinted and obtaining records of their criminal arrests and convictions. If the results of the background investigation disclose information specified in sub. (3) (a) with respect to the person, partner, member, officer, director, owner or beneficial owner, a contract with the vendor, if entered into prior to the disclosure, is void and the vendor shall forfeit any amount filed, deposited or established under sub. (5) (b). The department of justice shall repeat the background investigation of each vendor, and each vendor’s partners, members, officers, directors, owners, and beneficial owners, under sub. (3) (b), every 5 years.

The department of revenue shall reimburse the department of justice for the department of justice’s services under this subsection and shall obtain payment from the person proposing to contract or the vendor in the amount of the reimbursement.

SECTION 50. 565.30 (5) of the statutes is amended to read:

565.30 (5) WITHHOLDING OF DELINQUENT STATE TAXES, CHILD SUPPORT OR DEBTS OWED THE STATE. The administrator shall report the name, address and social security number or federal income tax number of each winner of a lottery prize equal to or greater than $1,000 $600 and the name, address and social security number or federal income tax number of each person to whom a lottery prize equal to or greater than $1,000 $600 has been assigned to the department of revenue to determine whether the payee or assignee of the prize is delinquent in the payment of state taxes under ch. 71, 72, 76, 77, 78 or 139 or, if applicable, in the court-ordered payment of child support or has a debt owing to the state. Upon
receipt of a report under this subsection, the department of revenue shall first ascertain based on certifications by
the department of children and families or its designee under s. 49.855 (1) whether any person named in the
report is currently delinquent in court-ordered payment of child support and shall next certify to the administrator
whether any person named in the report is delinquent in court-ordered payment of child support or payment of
state taxes under ch. 71, 72, 76, 77, 78 or 139. Upon this
certification by the department of revenue or upon court
order the administrator shall withhold the certified
amount and send it to the department of revenue for
remittance to the appropriate agency or person. The
department of revenue shall charge the winner or
assignee of the lottery prize for the department of rev-
enue’s administrative expenses associated with with-
holding and remitting debt owed to a state agency and
may withhold the amount of the administrative expenses
from the prize payment. The administrative expenses
received or withheld by the department of revenue shall
be credited to the appropriation under s. 20.566 (1) (h).
In instances in which the payee or assignee of the prize
is delinquent both in payments for state taxes and in
court-ordered payments of child support, or is delinquent
in one or both of these payments and has a debt owing to
the state, the amount remitted to the appropriate agency
or person shall be in proportion to the prize amount as is
the delinquency or debt owed by the payee or assignee.

SECTION 51. 565.40 (3) of the statutes is created to
read:
565.40 (3) BACKGROUND INVESTIGATION. (a) In this
subsection:
1. “Secured area” means any areas where sensitive
information is stored or accessible and any areas associ-
ated with the lottery with limited or controlled access.
2. “Sensitive information” means any report or study
containing trade secrets, as defined in s. 134.90 (1) (c); any
process or production technique which is unique to the
lottery; any information or documentation the disclo-
sure of which would adversely affect the security or the
competitive position of the lottery; any individual’s mail-
ing address, e-mail address, telephone number, or social
security or federal employer identification number; any
financial account numbers; any personnel or employee
information; any employee or vendor background inves-
tigation documents; any personal information provided
by retailers for contracting purposes; and any personally
identifiable information, as defined in s. 19.62 (5).
(b) The department of revenue, with the assistance of
the department of justice, may conduct a background
investigation of any person who may come into contact
with any sensitive information associated with the lottery
or who may have access to secured areas. The depart-
ment of revenue may require the person to be pho-
tographed and fingerprinted. The department of justice
may submit the fingerprints to the federal bureau of
investigation for the purpose of verifying the identity of
the person fingerprinted and obtaining records of his or
her criminal arrests and convictions. The department of
revenue, with the assistance of the department of justice,
shall repeat the background investigation of each person
under this subsection every 5 years. The department of
revenue shall reimburse the department of justice for the
department of justice’s services under this subsection.

SECTION 52. Initial applicability.
(1) CHARGING BACK REFUNDED OR RESCINDED TAXES.
The treatment of section 74.41 (2) (intro.), (a), (b), and
(bm) of the statutes first applies to the property tax assess-
ments as of January 1, 2018.
(2) COMBINED REPORTS. The treatment of section
71.255 (7) (b) 7. of the statutes first applies to documents
executed on January 1, 2017.
(3) INFORMATION RETURNS. The renumbering and
amendment of section 71.34 (1k) (h) of the statutes and
the creation of section 71.34 (1k) (h) 1. and 2. of the
statutes first apply to taxable years beginning on January
1, 2017.
(4) LOTTERY PRIZE REPORTING AND WITHHOLDING.
Unless the effective date of this subsection is later than
May 15, 2017, the treatment of section 535.30 (5) of the
statutes first applies to lottery prizes claimed on May 15,
2017. If the effective date of this subsection is later than
May 15, 2017, the treatment of section 535.30 (5) of the
statutes first applies to lottery prizes claimed on the first
day of the 3rd month beginning after the effective date of
this subsection.