



State of Wisconsin

Report of Net Proceeds Occupation Tax on Mining of Metallic Minerals for the Calendar Year Ended December 31, 2019 Or Fiscal Year Ended \_\_\_\_\_

Mail To: Wisconsin Department of Revenue Manufacturing & Utility Bureau 2135 Rimrock Rd #6-97 PO Box 8971 Madison WI 53713

ON OR BEFORE JUNE 17, 2020

Forms and related publications are available on our website at revenue.wi.gov

NAME OF MINE \_\_\_\_\_ FEIN# \_\_\_\_\_

Name of Operator \_\_\_\_\_

Address \_\_\_\_\_

Name and Address of Owner If Other Than Above \_\_\_\_\_

Municipal & County Location \_\_\_\_\_ Acres \_\_\_\_\_

Name, Title, Address of Person Having Charge of Tax Matters in Wisconsin: \_\_\_\_\_ Phone \_\_\_\_\_

1. Gross proceeds — From Schedule B. (See instructions). . . . . \$ \_\_\_\_\_

Deductions:

2. The actual and necessary expenses incurred during the taxable year for:

a. Labor, tools, appliances and supplies. . . . . \$ \_\_\_\_\_

b. Extracting, transporting, milling, concentrating, smelting, refining, reducing, assaying, sampling, inventorying and handling the ore and for further processing and transferring related to the product for which gross proceeds are received, including cost of capital (interest and earnings) imputed to smelting and refining expenses. Submit Schedule. . . . . \$ \_\_\_\_\_

c. Administration, appraising, accounting, legal, medical, engineering, clerical, and technical services directly related to mining metallic minerals in Wisconsin. DO NOT include lobbying and corporate officers' salaries and expenses. . . . . \$ \_\_\_\_\_

d. Repair and maintenance expenses of machinery, mills, reduction works, buildings, structures, other necessary improvements, tools, appliances, and supplies. . . . . \$ \_\_\_\_\_

3. **Taxes paid, exclusive of net proceeds tax, allowed as a deduction for Wisconsin Corporate income or franchise taxes and allocated to this mine. See instructions and submit tax schedule showing allocation** . \$ \_\_\_\_\_
4. Rents paid on personal property used in mining product . . . . . \$ \_\_\_\_\_
5. Employee relocation costs within Wisconsin . . . . . \$ \_\_\_\_\_
6. Cost of premiums for bonds required under sec. 144.86, Wis. Stats . . . . . \$ \_\_\_\_\_
7. Cost of insurance premiums on persons or tangible assets related to this mine . . . . . \$ \_\_\_\_\_
8. Uninsured casualty losses . . . . . \$ \_\_\_\_\_
9. Loss on sale of personal property used in this mine . . . . . \$ \_\_\_\_\_
10. Depreciation expense from **Schedule A. See instructions** . . . . . \$ \_\_\_\_\_
11. Certain royalty payments. **See instructions** . . . . . \$ \_\_\_\_\_
12. Premining cost amortization. **See instructions and submit schedule** . . . \$ \_\_\_\_\_
13. Exploration and development expenses incurred after mining begins . . . . . \$ \_\_\_\_\_
14. Restoration and reclamation costs . . . . . \$ \_\_\_\_\_
15. Interest expense. **See instructions and submit computation** . . . . . \$ \_\_\_\_\_
16. Cost depletion of ore. **Submit computation** . . . . . \$ \_\_\_\_\_
17. **Total Deductions** (Sum of Lines 2-16) . . . . . \$ \_\_\_\_\_
18. **Net proceeds** (Line 1 minus Line 17) Line 18 should equal Schedule C, Line D . . . . . \$ \_\_\_\_\_

**Tax Rates**

**Net Proceeds**

**Tax**

\$ 0 to \$ 598,600 at a rate of 0% . . . . .	\$ _____	\$ _____
\$ 598,601 to \$ 11,975,700 at a rate of 3% . . . . .	_____	_____
\$ 11,975,701 to \$ 23,951,100 at a rate of 7% . . . . .	_____	_____
\$ 23,951,101 to \$ 35,927,100 at a rate of 10% . . . . .	_____	_____
\$ 35,927,101 to \$ 47,903,200 at a rate of 13% . . . . .	_____	_____
\$ 47,903,201 to \$ 59,878,300 at a rate of 14% . . . . .	_____	_____
\$ 59,878,301 and higher at a rate of 15% . . . . .	_____	_____
Total net proceeds ( <i>same as Line 18</i> ) . . . . .	\$ _____	
Total net proceeds occupation tax due, before construction fee credit . . . . .		\$ _____
Construction fee credit, submit computation . . . . .		\$ _____

Submit net proceeds occupation tax due with this report to:

Wisconsin Department of Revenue  
 Manufacturing & Utility Bureau  
 2135 Rimrock Rd MS #6-97  
 PO Box 8971  
 Madison WI 53713

I, the undersigned \_\_\_\_\_ of the \_\_\_\_\_  
(Title of Officer in Charge of Account) (Full Name of Operating Company)

mining the \_\_\_\_\_  
(Name of Mine)

do certify that this report and all schedules along with supporting documents submitted as part of this report filed for the above indicated period have been prepared under my direction and that they correctly reflect the net proceeds of this mine as defined in sec. 70.375, Wis. Stats.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Post Office Address)

**SCHEDULE A – Asset and Accumulated Depreciation & Amortization**

**Analysis of the Asset Account**

Property	Asset Balance Beginning of Year	Additions	Disposals	Other	Asset Balance End of Year
Machinery, mills and reduction works					
Buildings, structures and other improvements					
Fees: permit, license and other					
Development costs					
<b>TOTAL</b>					

**Reserve for Accumulated Depreciation and Amortization**

Classification	Balance Beginning of Year	Depreciation		Disposals	Other	Balance End of Year
		Expense	Rate			
Machinery, mills and reduction works						
Buildings, structures and other improvements						
Fees: permit, license and other						
Development costs						
<b>TOTAL</b>						

**SCHEDULE B – Computation of Line 1, Gross Proceeds**

Recovered Mineral	Units	x	Average Price	=	Gross Proceeds
Copper	_____		_____		_____
Silver	_____		_____		_____
Gold	_____		_____		_____
Other _____	_____		_____		_____
_____	_____		_____		_____
_____	_____		_____		_____
Total <b>Gross Proceeds</b> entered on Line 1, Page 1 .....					=====

Tons of extracted ore shipped during the taxable year \_\_\_\_\_

Where was the product shipped? \_\_\_\_\_

Tons of ore mined during the tax year \_\_\_\_\_

Tons of extracted ore at mine site at end of tax year \_\_\_\_\_

Was the product sold or transferred to a controlled or controlling entity as defined under sec. 70.375(3), Wis. Stats.? \_\_\_\_\_

Was the product sold or transferred to a person operating a smelting, refining or other processing or marketing facility which is located outside of the United States? \_\_\_\_\_

**SCHEDULE C – Reconciliation of Book Income as Reported per your Audited Financial Statements and the Wisconsin Income Tax Return for the Current Year with the Net Proceeds per this Report**

Book Income Credited to Retained Earnings December 31, 2019 or fiscal year ending \_\_\_\_\_ A \$ \_\_\_\_\_

**Additions to Book Income to Arrive at Net Proceeds:**

- 1. Corporate officers' salaries and expenses ..... \$ \_\_\_\_\_
- 2. Lobbying expenses ..... \_\_\_\_\_
- 3. Expenses incurred out-of-state ..... \_\_\_\_\_
- 4. Charitable contributions ..... \_\_\_\_\_
- 5. Depreciation and amortization expense not included in Schedule B ..... \_\_\_\_\_
- 6. Interest expense in excess of amount allowable. .... \_\_\_\_\_
- 7. Excess of book depletion over amount allowable ..... \_\_\_\_\_
- 8. Net proceeds tax ..... \_\_\_\_\_
- 9. Federal and state income or franchise taxes ..... \_\_\_\_\_
- 10. Royalties ..... \_\_\_\_\_
- 11. Other: please specify \_\_\_\_\_ .....
- \_\_\_\_\_ .....
- \_\_\_\_\_ .....

**Total Additions to Book Income** ..... B \$ \_\_\_\_\_

**Subtractions From Book Income to Arrive at Net Proceeds:**

- 1. Revenues attributable to other mines ..... \$ \_\_\_\_\_
- 2. Interest income ..... \_\_\_\_\_
- 3. Dividends ..... \_\_\_\_\_
- 4. Excess of allowable depreciation over book depreciation. .... \_\_\_\_\_
- 5. Other: please specify ..... \_\_\_\_\_
- ..... \_\_\_\_\_
- ..... \_\_\_\_\_
- ..... \_\_\_\_\_

**Total Subtractions From Book Income** ..... C \$ \_\_\_\_\_

**Net Proceeds for 2017 – should agree with Line 18, page 2** ..... (A + B - C) ..... D \$ \_\_\_\_\_

**General Instructions**

Upon written request and for sufficient reason shown, a taxpayer may file an estimated return and pay the estimated tax liability by June 17. On or before September 15, the taxpayer shall file a final report and pay any additional tax due along with interest at the rate of 1% per month from June 17 until the day of payment. If the additional tax exceeds 10% of the previous year's liability, a 4% penalty and delinquent interest at the rate of 1 1/2% per month is due.

**Specific Instructions For Pages 1 through 4**

**Line 1, page 1:** Gross proceeds means gross income from mining as described at sec. 70.375(1)(ai), Wis. Stats. Complete Schedule B.

**Line 3, page 2:** Submit a schedule showing a breakdown of expenses for this line.

**Taxes paid (except the net proceeds tax) including property, sales and use taxes and allowed as a deduction for Wisconsin corporation income or franchise tax purposes are deductible provided that they are allocable to this mine.**

**Federal and state income or franchise taxes are not deductible for Wisconsin income or franchise tax purposes.**

**Line 10, page 2:** Depreciation or amortization is the amount deductible for Wisconsin Income and Franchise Tax purposes of Corporations [sec. 71.26(2), Wis. Stats.]. Complete Schedule A.

**Line 11, page 2:** Royalties are deductible if paid to mine owners of the mineral rights to the land where the mine or an extension of the mine is located. A mine owner **does not** include the person mining or a controlled entity or controlling entities of the person mining.

**Line 12, page 2:** Submit a schedule showing straight-line amortization of premining costs.

**Line 15, page 2:** Interest expense shall not exceed 5% of line 1, Gross Proceeds. Interest that is deductible must be specifically allocable to the mine operation or if not specifically allocable, shall be deductible in the proportion that capital investment in the mine operation is to the total capital investment of the taxpayer. If an allocation must be made, submit the computation.

**Line 16, page 2:** Submit a schedule showing the computation of the allowance for cost depletion of the ore.

When completing Schedules A, B and C, additional information may be furnished for purposes of conveying a better understanding and analysis of depreciation expense and gross/net proceeds.

If you have questions, contact us at (608) 266-8162 or [utility@revenue.wi.gov](mailto:utility@revenue.wi.gov).