| Corporation Franchise/Income.  | .266-3645 |
|--------------------------------|-----------|
| Estimated Taxes                |           |
| Fiduciary, Inheritance, Gift   |           |
| Homestead Credit               |           |
| Individual Income              |           |
| Property Tax Deferral Loan     |           |
| Sales, Use, Withholding        |           |
| Audit of Returns: Corporation, |           |
| Individual, Homestead, Sales   | .266-2772 |
| Appeals                        | .266-0185 |
| Refunds                        |           |
| Delinquent Taxes               |           |
| Copies of Returns:             |           |
| Homestead, Individual          | .266-2890 |
| All Others                     | .266-0678 |
| Forms Request:                 |           |
| Taxpayers                      | .266-1961 |
| Practitioners                  | .267-2025 |
|                                |           |

#### **District Offices**

| Appleton   | (414) 832-2727 |
|------------|----------------|
| Eau Claire | (715) 836-2811 |
| Milwaukee  | (414) 227-4000 |

## DEPARTMENT PUBLICATIONS AVAILABLE

The department publishes a wide variety of publications that are available to taxpayers upon request. The following is a list of publications regarding taxes administered by the Income, Sales, Inheritance, and Excise Tax Division of the department. To order any of these publications, write or call: Wisconsin Department of Revenue, P.O. Box 8903, Madison, WI 53708 (telephone (608) 266-1961).

| Number | Fitle |
|--------|-------|
|--------|-------|

- 102 Wisconsin Tax Treatment of Tax-Option Corporations and Their Shareholders
- 103 Reporting Capital Gains & Losses for Wisconsin by Individuals, Estates & Trusts
- 104 Wisconsin Taxation of Military Personnel
- 108 How Your Retirement Benefits Are Taxed
- 109 Tax Information for Married Persons Filing Separate Returns and Persons Divorced

- 111 How to Get a Private Letter Ruling From Wisconsin Department of Revenue
- 112 Wisconsin's Individual Estimated Tax and Corporation Estimated Tax Programs
- 113 Federal and Wisconsin Income Tax Reporting Under the Marital Property Act
- 200 Sales and Use Tax Information for Electrical Contractors
- 201 Wisconsin State and County Sales and Use Tax Information
- 202 Sales and Use Tax Information: Motor Vehicle Sales, Leases and Repairs
- 203 Sales and Use Tax Information for Manufacturers
- 204 Sales and Use Tax Information for Colleges, Universities & Vocational Schools
- 206 Sales Tax Exemption for Nonprofit Organizations
- 302 Wisconsin Alcohol Laws for Retailers Including Laws Relating to Underage Persons (This publication is only available from Department of Administration, Document Sales on a subscription basis)
- 500 Tax Guide for Political Organizations and Candidates
- 501 Field Audit of Wisconsin Tax Returns
- 503 Wisconsin Farmland Preservation Credit
- 504 Directory for Wisconsin Department of Revenue
- 505 A Taxpayer's Appeal Rights of an Office Audit Adjustment
- 506 Taxpayer's Appeal Rights of Field Audit Adjustments
- 507 How to Appeal to the Wisconsin Tax Appeals Commission
- 508 Wisconsin Tax Requirements Relating to Nonresident Entertainers
- W-166 Withholding Tax Guide

# WE ARE FREQUENTLY ASKED...

<u>Ouestion</u>: If I have no sales during a reporting period, must I file a sales tax return? <u>Answer</u>. Yes. You must file a sales and use tax return for each reporting period even though you had no sales during that period.

<u>Ouestion</u>: What happens if I do not file my sales and use tax return by the due date?

<u>Answer</u>. If you do not file your sales tax return by the due date, you are not eligible for the retailer's discount and will be sent either a request to file or a notice of estimated tax due. A notice of estimated tax due is sent to those taxpayers with a past history of not filing timely returns. The estimated taxes are subject to collection by the department.

<u>Question</u>: How do organizations report and pay sales tax on bingo receipts?

<u>Answer</u>: Generally, organizations holding bingo games are required to hold a seller's permit and report sales tax on the bingo receipts on their Wisconsin sales and use tax return. For more information, call (608) 266-2190.

<u>Question</u>: What must I do for sales tax purposes if I sell or discontinue my business?

<u>Answer</u>: Notify the department in writing of the date you sold or discontinued your business and include a current address where you can be contacted. Include your seller's permit with your letter.

## THREE YEAR PRISON TERM FOR HOMESTEAD FRAUD

#### **Homestead Credit**

A Green Bay man has been ordered to serve 3 years in prison for violations of the Wisconsin homestead credit tax law. Michael G. Baker, who formerly resided at 414 Fifth Street, Green Bay, was sentenced in Brown County Circuit Court, Branch 5, Green Bay, after he was convicted on 4 counts of filing false Wisconsin homestead credit claims during 1985. Judge Peter J. Naze sentenced Baker to 3 years in prison on each count to be served concurrently.

#### Withholding Taxes

A former Kenosha businessman has been ordered to serve 3 years probation for violations of Wisconsin state withholding tax laws. Larry A. Christopherson, former president and treasurer of Nardi Electric Company, Inc., Kenosha, was sentenced in Kenosha County Circuit Court, Branch 5, after he pled guilty to 5 counts of failing to deposit taxes withheld from wages of employes. Judge Robert V. Baker sentenced Christopherson to 6 months in jail on each count, to be served consecutively, stayed execution of the sentence, and placed Christopherson on probation for 3 years. Under the conditions of probation Christopherson must make restitution of state taxes in excess of \$36,000.

#### **Excise Taxes**

River City Distributing Company, Inc., 29 West Sherman Avenue, Watertown, entered a "no contest" plea on October 16, 1989, to charges of illegally furnishing various items to tavern licensees. The wholesaler was found guilty and fined a total of \$350. Beer wholesalers are restricted in what they may provide to beer retailers under Wisconsin law, which addresses commercial bribery.

Papagaio, Inc., d/b/a "Sonny's" on Broadway, 515 North Broadway, Milwaukee, was fined \$500 plus costs on October 9, 1989, for possessing refilled liquor bottles. The corporation pleaded guilty to the charge. Sixty-three bottles of liquor held as evidence were destroyed.

## NEW ISI&E DIVISION RULES AND RULE AMENDMENTS IN PROCESS

Listed below, under Parts A, B, and C, are proposed new administrative rules and amendments to existing rules that are currently in the rule adoption process. The rules are shown at their state in the process as of December 15, 1989. Part D lists new rules and amendments which were adopted in 1989. Part E lists rules adopted but not yet effective. Part F lists emergency rules. ("A" means amendment, "NR" means new rule, "R" means repealed and "R&R" means repealed and recreated.)

#### A. Rules at Legislative Council Rules Clearinghouse

- 2.41 Separate accounting method-A
- 2.46 Apportionment of business income of interstate air carriers-R&R
- 2.47 Apportionment of net business income of interstate motor carriers of property-A
- 2.49 Apportionment of net business incomes of interstate finance companies-R&R
- 4.54 Security requirements-NR
- 4.55 Ownership and name changes-NR
- 7.01 Purchases and invoices-A
- 7.23 Activities of brewers, bottlers and wholesalers-A
- 8.01 Tax liability-NR
- 8.02 Revenue stamps—occupational tax-R&R
- 8.03 Affixing stamps-R
- 8.04 Refunds-R&R
- 8.05 Special tax on intoxicating liquor-R
- 8.06 Mixture of specially taxed and regularly taxed intoxicating liquors-R
- 8.11 Reports-A
- 8.12 Samples-NR
- 8.21 Purchases by the retailer-A
- 8.22 Purchases made outside of state-A
- 8.23 Sales to non-licensees-NR
- 8.31 Sales out of Wisconsin-A
- 8.51 Labels-R
- 8.61 Advertising-A
- 8.66 Merchandise on collateral-A
- 8.71 Bitters-R
- 8.76 Salesperson-R&R
- 8.81 Transfer of retail liquor stocks-A
- 8.87 Intoxicating liquor tied-house prohibitions-A
- 9.67 Cigarette tax credit-R&R
- 9.68 Ownership and name changes-NR
- 14.03 Household income-A
- 14.06 Marriage, separation, or divorce during claim year-A

#### B. Rules at Revisor of Statutes Office for Publication of Hearing Notice

1.06 Application of federal income tax regulations for persons other than corporations-A

- 1.10 Depository bank requirements for withholding, motor fuel, general aviation fuel and special fuel tax deposit reports-A
- 2.03 Corporation returns-A
- 2.04 Information returns and wage statements-R&R
- 2.06 Information returns required of partnerships and persons other than corporations-R
- 2.08 Returns of persons other than corporations-A
- 2.10 Copies of federal returns, statements, schedules, documents, etc., to be filed with Wisconsin returns-A
- 2.30 Property located outside Wisconsin - depreciation and sale-A
- 2.69 Income from Wisconsin business-R
- 2.89 Penalty for underpayment of estimated tax-R
- 2.955 Credit for income taxes paid to other states-A
- 3.03 Dividends received, deductibility of-R&R
- 3.08 Retirement and profit-sharing payments by corporations-A
- 3.085 Retirement plan distributions-A
- 3.096 Interest paid on money borrowed to purchase exempt government securities-A
- 3.10 Salesmen's and officers' commissions, travel and entertainment expense of corporations-R
- 3.12 Losses on account of wash sales by corporations-R&R
- 3.37 Depletion of timber by corporations-A
- 3.38 Depletion allowance to incorporated mines and mills producing or finishing ores of lead, zinc, copper, or other metals except iron-A
- 3.47 Legal expenses and fines-corporations-R
- 3.54 Miscellaneous expenses not deductible-corporations-R&R
- 3.81 Offset of occupational taxes paid against normal franchise or income taxes-A
- 3.91 Petition for redetermination-A
- 3.92 Informal conference-A
- 3.93 Closing stipulations-A
- 3.94 Claims for refund-A
- 11.05 Government units-A
- 11.09 Medicines-A

- 11.12 Farming, agriculture, horticulture and floriculture-A
- 11.19 Printed material exemptions-A
- 11.40 Exemption of machines and processing equipment-A
- 11.51 Grocers' guidelist-A
- 11.535 Operators of a swap meet, flea market, craft fair or similar event -NR
- 11.57 Public utilities-A
- 11.61 Veterinarians and their suppliersA
- 11.66 Communications and CATV services-A

#### C. Rules at Legislative Standing Committee

- 11.10 Occasional sales-A
- 11.16 Common or contract carriers-A
- 11.18 Dentists and their suppliers-A
- 11.26 Other taxes in taxable gross receipts and sales price-A
- 11.32 "Gross receipts" and "sales price"-A
- 11.41 Exemption of property consumed or destroyed in manufacturing-A
- 11.57 Public utilities-A
- 11.67 Service enterprises-A
- 11.68 Construction contractors-A
- 11.84 Aircraft-A
- 11.85 Boats, vessels and barges-A

## D. Rules Adopted in 1989 (effective date is given in parentheses)

- 1.001 Definition-A (8/1/89)
- 2.14 Aggregate of personal exemptions-A (8/1/89)
- 2.16 Change in method of accounting for corporations-A (8/1/89)
- 2.19 Installment method of accounting for corporations-A (8/1/89)
- 2.20 Accounting for acceptance corporations, dealers in commercial paper, mortgage discount companies and small loan companies-A (8/1/89)
- 2.21 Accounting for incorporated contractors-A (8/1/89)
- 2.22 Accounting for incorporated dealers in securities-R&R (8/1/89)
- 2.24 Accounting for incorporated retail merchants-A (8/1/89)
- 2.25 Corporation accounting generally-A (8/1/89)
- 2.26 "Last in, first out" method of inventorying for corporations-A (8/1/89)

- 2.45 Apportionment in special cases-A (8/1/89)
- 2.50 Apportionment of net business income of interstate public utilities-A (8/1/89)
- 2.505 Apportionment of net business income of interstate professional sport clubs-A (8/1/89)
- 2.53 Stock dividends and stock rights received by corporations-A (8/1/89)
- 2.56 Insurance proceeds received by corporations-A (8/1/89)
- 2.57 Annuity payments received by corporations-A (8/1/89)
- 2.60 Dividends on stock sold "short" by corporations-A (8/1/89)
- 2.61 Building and loan dividends on installment shares received by corporations -R (8/1/89)
- 2.63 Dividends accrued on stock-A (8/1/89)
- 2.65 Interest received by corporations-A (8/1/89)
- 2.70 Gain or loss on capital assets of corporations; basis of determination-A (8/1/89)
- 2.72 Exchanges of property by corporations generally-A (8/1/89)
- 2.721 Exchanges of property held for productive use or investment by corporations-A (8/1/89)
- 2.83 Requirements for written elections as to recognition of gain in certain corporation liquidations-A (8/1/89)
   2.88 Interest rates-A (8/1/89)
- 2.88 Interest rates-A (8/1/89)
  2.90 Withholding; wages-A (8/1/89)
- 2.91 Withholding; fiscal year taxpayers-A (8/1/89)
- 2.92 Withholding tax exemptions-A (8/1/89)
- 2.93 Withholding from wages of a deceased employe and from death benefit payments-A (8/1/89)
- 2.956 Historic structure and rehabilitation of nondepreciable historic property credits-NR (8/1/89)
- 3.01 Rents paid by corporations-A (8/1/89)
- 3.05 Profit-sharing distributions by corporations-A (8/1/89)
- 3.07 Bonuses and retroactive wage adjustments paid by corporation-A (8/1/89)
- 3.09 Exempt compensation of military personnel-A (8/1/89)
- 3.095 Income tax status of interest and

dividends from municipal, state and federal obligations received by individuals and fiduciaries-A (9/28/89)

- 3.098 Railroad retirement supplemental annuities-A (8/1/89)
- 3.14 Losses from bad debts by corporaitons-A (8/1/89)
- 3.17 Corporation losses, miscellaneous-A (8/1/89)
- 3.35 Depletion, basis for allowance to corporations-A (8/1/89)
- 3.36 Depletion of timber by corporations-A (8/1/89)
- 3.43 Amortization of trademark or trade name expenditures-A (8/1/89)
- 3.44 Organization and financing expenses-corporations-A (8/1/89)
- 3.45 Bond premium, discount and expense-corporations-A (8/1/89)
- 3.48 Research or experimental expenditures-A (8/1/89)
- 3.52 Automobile expenses-corporations-R&R (8/1/89)
- 3.82 Evasion of tax through affiliated interests-A (8/1/89)
- 3.83 Domestic international sales corporations (DISCs)-A (8/1/89)
- 11.10 Occasional sales-A (5/1/89)

#### E. Rules Adopted But Not Yet Effective

- 1.13 Power of attorney-A
- 2.01 Residence-A
- 2.05 Information returns, forms 8 for corporations-R&R
- 2.07 Income tax returns of liquidated or dissolved corporations-R
- 2.081 Indexed income tax rate schedule-R
- 2.085 Claim for refund on behalf of a deceased taxpayer-A
- 2.105 Notice by taxpayer of federal audit adjustments and amended returns-A
- 2.11 Credit for sales and use tax paid on fuel and electricity-A
- 2.12 Amended income and franchise tax returns-A
- 2.13 Moving expenses-A
- 2.15 Methods of accounting for corporations-A
- 2.17 Cash method of accounting for corporations-R
- 2.18 Accrual method of accounting for corporations-R

- 2.31 Taxation of personal service income of nonresident professional athletes-A
- 2.50 Apportionment of net business income of interstate public utilities-A

2.51 Rent received by corporations from Wisconsin real estate-A

- 2.73 Involuntary conversion by corporations-A
- 2.74 Gain or loss on disposition of property by corporations; adjustment to basis-R
- 2.75 Recoveries by corporations-A
- 2.76 Refunds of taxes to corporations-A
- 2.80 Improvements of leased real estate, income to corporate lessor-A
- 2.81 Damages received by corporations-A
- 2.86 Income to corporations from cancellation of government contracts-A
- 2.945 Spousal individuial retirement contributions-R
- 2.96 Extension of time to file corporation franchise or income tax returns-A
- 2.98 Disaster area losses-A
- 3.24 Corporation taxes, miscellaneous-R
- 3.55 Donations and contributions corporations-R
- 14.01 Administrative provisions-R&R
- 14.02 Qualification for credit-R&R
- 14.03 Household income-R&R
- 14.04 Property taxes accrued-R&R
- 14.05 Rent constituting property taxes accrued-R&R
- 14.06 Marriage, separation, or divorce during claim year-NR

#### F. Emergency Rules

11.66 Telecommunication and CATV services (effective 10/1/89; expires 2/26/90)

## 1989 TAX TREATMENT FOR VARIOUS INDIVIDUAL INCOME TAX PROVISIONS

| Net operating loss       Deductible computed pursuant to IRC       Deductible federal NOL added back; NOL computed pursuant to state statutes         Persion and annuities starting after July 1, 1986       3-year recovery rule eliminated       3-year recovery rule eliminated for persions and annuities starting after July 1, 1986       3-year recovery rule eliminated       3-year recovery rule eliminated for persions and annuities starting after December 31, 1986         Personal exemptions       \$2,000 for taxpayer, spouse, and each dependent       Credit may be allowed for dependents         Prizes and awards:       Increased standard deduction       Credit may be allowed         Prizes and awards:       Generally taxable       Same as federal         None       Credit may be allowed       Credit may be allowed         Retirement income from:       Way be taxable       Nontaxable       Credit may be allowed         Wisconsin state and local retirement systems       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Same as federal         Nondegree candidates       No exclusion       Same as federal         Scholarships and grants:       Degree candidates       No exclusion       Same as federal         Degree candidates       May be taxable   | Provision                                | Federal Tax Treatment                 | Wisconsin Tax Treatment                |
|--|--|---------------------------------------|--|
| Net cipiterin capital gains :       Traable       40% faaable         Net capital losses       Up to \$300 may be used to offset ordinary income (\$1,500 if MFS)       A0% faaable         Child and dependent care expense       Tax may be computed at parent's tax rate may be allowed       Tax may be computed at parent's tax rate         Disability income       Farm losses       Diductible unless passive loss       Farm losses         Disability income       Farm losses       Diductible unless passive loss       Farm losses         Farmland preservation credit received       Treatel as a recovery of property tax       Foreign taxes paid on interest/dividends interest for which any be allowed       Treatel as a recovery of property tax       Nonedecutible interest         Casualty and theft loss       \$100 floor and loss must exceed       Nonedecutible interest       Nonedecutible interest         Consumer interest       20% deductible       Credit may be allowed       Credit may be allowed         Moving expenses       Immied deduction       Credit may be allowed       Credit may be allowed         Moving expenses       Immied deduction       Credit may be allowed       Credit may be allowed         Ump-sum distribution from qualified       Emimed deduction       Credit may be allowed       Credit may be allowed         Ump-sum distribution from qualified       Educatible becomplate starting deduction       Credi  |  | Taxable                               | Same as federal                        |
| Net capital losses       Up to \$3,000 may be used to offset       Up to \$3,000 may be used to offset         Child ander age 14       Tax computed at parent's tax       None         Disbility income       Tax condit may be allowed       Deductible unless passive loss         Farm losses       Condit may be allowed       Deductible unless passive loss         Farm losses       Condit may be allowed       Exclusion up to \$5,200         Farmal or preservation cradit received       Treated as a recovery of property tax       Federal passive loss limits apply.         Farmaled deductions       Treated as a recovery of property tax       Federal passive loss limits apply.         Treated as a recovery of property tax       Credit       Treated as a recovery of property tax         Consumer interest       20% deduction       Credit may be allowed         Consumer interest       20% deduction       Credit may be allowed         Maxia are reclucar by 2% of AGI       Credit may be allowed       Credit may be allowed         Moving argeneses       Immited deduction       Credit may be allowed       Credit may be allowed         Moving argeneses       Immited deduction       Credit may be allowed       Credit may be allowed         Moving argeneses       Immited deduction       Credit may be allowed       Credit may be allowed         Ummenoutities stating adv </td <td>Capital gains and losses:</td> <td></td> <td></td>  | Capital gains and losses:                |                                       |  |
| child and dependent care expenseordinary income (\$1,500 if MFS)<br>Tax may be computed at parent's tax<br>Tax may be computed at parent's tax<br>Tax may be allowedordinary income<br>Tax computed at single rate<br>Tax computed at single rate<br>Tax computed at parent's tax<br>Tax may be allowedordinary income<br>Tax computed at single rate<br>Tax computed at single rate<br>Tax computed at parent's tax<br>Tax taxordinary income<br>Tax computed at parent's tax<br>Tax<br>Tax taxFarm lossesCredit may be allowed<br>Torset may be al   |  |                                       |  |
| Child ander age 14     Tax credit     None       Child under age 14     Tax credit     None       Diability income     Fact may be computed at parent's tax rate     Tax computed at single rate       Farm losses     Deductible unless passive loss     Exclusion up to \$5,200       Farmland preservation credit received     Treated as a recovery of property tax     Exclusion up to \$5,200       Farmland preservation credit received     Treated as a recovery of property tax     None       Farmland preservation credit received     Treated as a recovery of property tax     Nondeductible; no credit allowed       Consumer interest     20% deductible     Nondeductible; no credit allowed       Consumer interest     20% deductible     Credit may be allowed       Moring expenses     Eminad deduction     Reduced by 7.5% of AGI       Moring expenses     Eminad deduction     Credit may be allowed       Moring expenses     Eminad deduction     Credit may be allowed       Urreinhoursed employee business expenses     Eminad deduction     Credit may be allowed       Urreinhoursed treament bar     Sayear recovery rule eliminated       Greer ally 5-year averaging available;     Nondeductible indeed NO ASA       Urreinhoursed employee     Sayear recovery rule eliminated       Misconsin income bax     Enerned indeeduction       Urreinhoursed employee     Sayear recovery rule elin   | Net capital losses                       |                                       |  |
| Child under äge 14       Tax may be computed at parent's tax       Tax computed at single rate         Disability income       Farm losse       Tax may be computed at parent's tax       Tax computed at single rate         Disability income       Farm losse       Credit may be allowed       Exclusion up to \$5,200       Forlard parsers to solar interest interest from tedral obligations       Forlard parsers to solar interest form tedral obligations       Forlard parsers to solar interest interest       Forlard parsers to solar interest form tedral obligations       Forlard parsers to solar interest interest       Norde         Consumer interest       S100 floor and loss must exceed       Nordeductible, no credit allowed       Nordeductible, no credit allowed         Consumer interest       Limited tentized deduction       Credit may be allowed       Credit may be allowed         Consumer interest       Limited tentized deduction       Credit may be allowed       Credit may be allowed         Moxing expenses       S100 floor and loss must exceed       Nordeductible, no credit allowed       Credit may be allowed         Umeristicat deduction       Credit may be allowed       Credit may be allowed       Credit may be allowed         Wescons in income bax       Entimized deduction       Credit may be allowed       Credit may be allowed         Umeristicat deduction       Generally State       Secons incomputed expanyr, spouse, and each dependent   | Child and dependent care evennes         |                                       |  |
| rate         rate         Credit may be allowed         Exclusion up to \$5,200           Farm losses         Credit may be allowed         Exclusion in the based on ondrarm income with carryover of unused losses           Farmland preservation credit received         Treated as a recovery of property tax         Inused losses           Farmland preservation credit received         Treated as a recovery of property tax         Inused losses           Casualty and theft loss         \$100 floor and loss must exceed         100% kazable           Consumer interest         Credit may be allowed         Credit may be allowed           Moring expenses         Property taxes on home         Treate paid to other states           Property taxes on home fare         Taxes paid to other states         United itemized deduction           Weical eduction from qualified         Termized deduction         Credit may be allowed           Property taxes on home fare         Themized deduction         Credit may be allowed           Weican eduction from qualified         Themized deduction         Credit may be allowed           Ump som distribution from qualified         Themized deduction         Credit may be allowed           Weican eduction from qualified         S-year recovery rule eliminated         Credit may be allowed           Person age 65 or over         Properovery rule eliminated         Soper recovery r   |  |                                       |  |
| Disability income     Credit may be allowed     Exclusion up to \$5,200       Farm losses     Deductible unless passive loss limits apply     Fordal passive loss limits apply       Farmland preservation credit received     Treated as a recovery of property tax     To 00% taxable       Formland passive loss limits apply     Treated as a recovery of property tax     None       Casumer interest     10% AGI     Credit may be allowed       Consumer interest     10% AGI     Credit may be allowed       More limited structured     10% AGI     Credit may be allowed       Consumer interest     10% AGI     Credit may be allowed       Moring expenses     \$100 floor and loss must exceed     Nondeductible; no credit allowed       Moring expenses     \$100 floor and loss must exceed     Nondeductible; no credit allowed       Moring expenses     Expense     Credit may be allowed     Credit may be allowed       Moring expenses     Itemixed deduction     Credit may be allowed     Credit may be allowed       Umenhoused employs business expenses     Itemixed deduction     Credit may be allowed       Umenhoused apercopy business expenses     Limited miscelaneous     Credit may be allowed       Version and annuities starting alter ulup 1, 1966     3-year recovery rule eliminated     Nondeductible; no credit allowed       Not expension and annuities starting alter ulup 1, 1966     3-year recovery rule el  | Unnu under age 14                        |                                       | rax composed at single rate            |
| Farm losses     Deductible unless passive loss<br>limitations apply     Federal passive loss<br>limitations apply     Federal passive loss<br>limitations apply       Farmland preservation credit received<br>foreign taxes paid on interest/invidends<br>thermized deductions:     Treated as a recovery of property tax     None       Casually and theft loss     \$100 floor and loss must exceed<br>10% AGI     None     None       Consumer interest<br>Investment interest     20% deduction<br>Medical deduction     Credit may be allowed     Credit may be allowed       Moving expenses<br>(away from home/outside satespreses<br>(away from home/outside satespreses<br>(away from home/outside satesprese)     United miscellaneous<br>themized deduction     Credit may be allowed       Umreinburged<br>and annutites starting<br>alari excitision allowed     Credit may be allowed     Credit may be allowed       Version and annutites starting<br>allowed comploys business expenses<br>(away from home/outside satesprese)     Unreinburged comploys business expenses<br>(away from home/outside satesprese)     Nondecuctible; no credit allowed<br>themized deduction       Vet operating loss     Deductible computed pursuant to IRC<br>laried uity 1, 1986     Deductible computed pursuant to IRC<br>sate statutes     Overait may be allowed<br>tor pensions and awards:<br>Increased standard deduction       Persion and annutites starting<br>allowed tor may<br>be allowed     May be taxable     Same as federal       Persion and annutites starting<br>allowed tor members of<br>the retirement board benefits<br>including charitable, scientific, etc.<br>Including charitable, scientific, etc.<br>Including charitable, scientific, etc.<br>Includi   | Disability income                        |                                       | Exclusion up to \$5 200                |
| Farmland preservation credit received<br>Foreign taxes paid on interest/dividends<br>interest from lederal obligations         Treated as a recovery of property tax<br>(Credit<br>Treated as a recovery of property tax<br>(Credit<br>Inscrete from lederal obligations         None           Casually and theft loss         \$100 floor and loss must exceed<br>(Dre AGI)         None           Consumer interest<br>(Investmer interest         10% AGI         Credit may be allowed<br>(Credit may be allowed)           Most are recloved by 75% of AGI<br>(Investmer interest         Credit may be allowed<br>(Credit may be allowed)           Most are recloved by 25% of AGI<br>(Investmer interest)         Credit may be allowed<br>(Credit may be allowed)           Most are recloved by 25% of AGI<br>(Investmer interest)         Credit may be allowed<br>(Credit may be allowed)           Unreinbursed employe business expenses<br>(Investmer interest)         Inmitsed indeuction<br>(Earerality 5-year averaging available<br>(Earerality 5-year averaging available<br>(Earerality 5-year averaging available)         Nondeductible; no credit allowed<br>(Credit may be allowed)           Vet operating loss         Deductible computed pursuant to<br>state statuters         Nondeductible (Credit may be allowed)           Nondecustible for over<br>Prison and annuities starting<br>after July 1, 1986         3-year recovery rule eliminated<br>for persons and annuities<br>starting after December 31, 1980           Persons age 65 or over<br>Prisas and awards:<br>Including charitable; scientific, etc.<br>Retirement income from:<br>Wisconsin state and local<br>retirement systems         May be taxable         Same as federal<br>Nontaxable  |  | Deductible unless passive loss        |  |
| Familand preservation credit received<br>Foreign taxes paid on interest/dividends<br>foreign taxes paid on interest/dividends<br>themized deductions:       Treated as a recovery of property tax<br>Credit       None         Cosulty and theft loss       \$100 floor and loss must exceed<br>10% AGI       None         Consumer interest       20% deduction<br>Medical deductions       Credit may be allowed         Moving expenses       Limited itemized deduction<br>Moving expenses       Credit may be allowed         Property taxes on home<br>Unreimburged employe business expenses<br>(away from home/outside salesperson)<br>(wisconsin income tax       None         (ump-sum distribution from qualified<br>relimement plan       Deductible computed pursuant to IRC       Credit may be allowed<br>to pension and annuties starting<br>allowed to computed pursuant to IRC         Persion and annutites starting<br>allowed to reliminated<br>allowed to reliminated<br>and excitable, scientific, etc.<br>Including charitable, scientific, etc.   |  |                                       |  |
| Farmland preservation credit received<br>Foreign taxes paid on interest/dividends<br>Interest from Inderal obligations<br>Casually and theft loss<br>Consumer interest<br>Investment intere |  |                                       |  |
| Foreign taxes paid on intress/dividends<br>interest from federal obligations       Credit       None         Interest from federal obligations       Taxable       Exempt         Consumer interest       10% AGI       Credit may be allowed         Investmer interest       20% deductible       Credit may be allowed         Medical deductions       Reduced by 7.5% of AGI       Credit may be allowed         Miscellaneous ftemized deductions       Moring expenses       Credit may be allowed         Moring expenses       Itemized deduction       Credit may be allowed         Ump-sum distribution from qualified       Itemized deduction       Credit may be allowed         Ump-sum distribution from qualified       Itemized deduction       Credit may be allowed         Itemized deduction       Credit may be allowed       Credit may be allowed         Ump-sum distribution from qualified       Itemized deduction       Credit may be allowed         Itemized deduction       Credit may be allowed       Nondecuctible; capital         Quertifies starting       3-year recovery rule eliminated       Super recovery rule eliminated         Person al exemptions       \$2,000 for tapayer, spouse, and       Super recovery rule eliminated         Persons age 65 or over       Increased startid       Generally taxable       Sarea s federal         None <td></td> <td></td> <td></td>   |  |                                       |  |
| Interest<br>ternized deductions:         Taxable         Exempt           Casually and theft loss         \$100 floor and loss must exceed<br>10% AGI         Nondeductible; no credit allowed           Consumer interest<br>Investment interest         20% deduction         Credit may be allowed           Moxing expenses<br>(away from home/outside salesperson)         Entited flemized deduction         Credit may be allowed           Moxing expenses<br>(away from home/outside salesperson)         United interest deduction         Credit may be allowed           Taxes paid to other states         United interest deduction         Credit may be allowed           Umreinbursed employe business expenses<br>(away from home/outside salesperson)         United interest deduction         Nondeductible; no credit allowed           Net operating loss         Deductible computed pursuant to<br>state statures         Nondeductible edderal NOL added<br>back; NOL computed pursuant to<br>state statures           Personal exemptions         \$2,000 for taxpayer, spouse, and<br>each dependent<br>Increased standard deduction         Credit may be allowed           Persons age 65 or over<br>Prizes and awards:<br>Including charitable, scientific, etc.<br>Hailroad tertiment board benefits         Generally taxable         Same as federal<br>Nortazable           Federal Retirement Systems         May be taxable         Generally same as federal<br>reliarement systems as of<br>December 31, 1963, with limited<br>ecoptions.           Scholarships and grants:<br>Degree candidates<br>Social security benef  | Farmland preservation credit received    | Treated as a recovery of property tax | 100% taxable                           |
| ternized deductions:<br>Casualty and theft loss<br>Consumer interest<br>Investmer interest<br>Medical deduction<br>Miscellaneous ternized deduction<br>Miscellaneous ternized deduction<br>Miscellaneous ternized deduction<br>Miscellaneous ternized deduction<br>Traxes pait to ther states<br>Urreinmoursed employe business expenses<br>(away from home/outside aslesperson)<br>Wisconsin income tax<br>Intermined ternized deduction<br>Wisconsin state and local<br>May be taxable<br>Federal Retirement Systems<br>Federal Retirement Systems<br>Federal Retirement Systems<br>Federal Retirement Systems<br>May be taxable<br>Nondegree candidates<br>Nondegree candidates<br>Nondeg                         |  |                                       | None                                   |
| Casualty and theft loss       \$100 floor and loss must exceed       Nondeductible; no credit allowed         Consumer interest       20% deductible       Credit may be allowed         Mexical deduction       Reduced by 2% of AGI       Credit may be allowed         Moving expenses       Enclused by 2% of AGI       Credit may be allowed         Property taxes on home       Taxes paid to other states       Limited intenized deduction       Credit may be allowed         Unreinbursed employe business expenses<br>(away from home/outside salesperson)       Limited miscellaneous       Credit may be allowed         Uurne-sum distribution from qualified<br>retriement plan       Itemized deduction       Nondeductible; no credit allowed         Vex operating loss       Deductible computed pursuant to IRC       Nondeductible; no credit allowed         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent<br>increased standard deduction       Sarting after December 31,1966         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent<br>increased standard deduction       Same as federal<br>Nontazable         Federal Retirement Systems       May be taxable       Generally same as federal, exempt<br>for persons who were members of<br>wisconsin state and local<br>net and in home         Federal Retirement Systems       May be taxable       Same as federal<br>same as federal         Federal Retirement Systems       May be taxable       Same  |  | Taxable                               | Exempt                                 |
| Consumer interest<br>investmert interest<br>Medical deduction       19% AGI<br>20% deductible       Credit may be allowed         Investmert interest<br>Medical deduction       Credit may be allowed       Credit may be allowed         Miscellaneus Itemized deductions<br>Moving expenses<br>Origination of the states<br>Unreinhursed employe business expenses<br>(away from home/outside stateporson)       Most are reduced by 2% of AGI<br>Credit may be allowed       Credit may be allowed         Umereinhursed employe business expenses<br>(away from home/outside stateporson)       Itemized deduction<br>Itemized deduction       Credit may be allowed         Umereinhursed employe business expenses<br>(away from home/outside stateporson)       Itemized deduction<br>Itemized deduction       Nondeductible, coredit allowed         Umreinhursed employes business expenses<br>(away from home/outside stateporson)       Emized deduction       Credit may be allowed         Ump-sum distribution from qualified<br>retirement plan       Tames paid deduction       Nondeductible, coredit allowed on 75% of<br>capital gan protino, balance hully<br>taxable         Persion and annuities starting<br>date - uby 1, 1986       3-year recovery rule eliminated<br>for persions and annuities<br>stating attra December 31, 1986         Persons age 65 or over<br>Inclusa and awards:<br>Inclusaer eliment board benefits<br>entriment income from:<br>Wisconsin state and local<br>retirement systems       May be taxable       Same as federal<br>vasable       Credit may be allowed<br>for persons who were members of<br>the retirement systems of December 31, 1963, with limited<br>exceptions.         Scholarships and grants:<br>De  |  |                                       |  |
| Consumer interest20% deductibleCredit may be allowedInvestment interestEnviced intervent deductionCredit may be allowedMedical ideductionsMoving expensesCredit may be allowedProperty taxes on homeItemized deductionCredit may be allowedTaxes paid to other statesItemized deductionCredit may be allowedUnreimbursed emptoye business expensesItemized deductionCredit may be allowed(way from home/outside salesperson)Itemized deductionNordecustible; no credit allowedWisconsin income taxItemized deductionNordecustible; no credit allowedLump-sum distribution from qualifiedGenerally 5-year averaging availableNordecustible; no credit allowedPersion and annuities starting<br>after July 1, 19863-year recovery rule eliminatedSecurity bedictiblePersons age 65 or overIncreased stardard deductionCredit may be allowedPrizes and avards:<br>Including charitable, scientific, etc.Generally taxableSame as federalReirement locard benefits<br>Reirement systemsMay be taxableSame as federalWisconsin state and local<br>retirement systemsMay be taxableCredit may be allowedFederal Retirement SystemsMay be taxableSame as federalNordegree candidates<br>Nordegree candidatesMay be taxableSame as federalNordegree candidates<br>Nordegree candidatesMay be taxableSame as federalNordegree candidates<br>Nordegree candidatesMay be taxableSame as federalScholarships and grants:<br>Degree candida   | Casualty and theft loss                  | •••••                                 | Nondeductible; no credit allowed       |
| Investment interest<br>Medical deductionLimited iternized deductionCredit may be allowed<br>Credit may be allowed<br>Credit may be allowed<br>Credit may be allowed<br>ternized deductionCredit may be allowed<br>Credit may be allowed<br>Credit may be allowedMoving expenses<br>Property taxes on home<br>Taxes paid to other states<br>Umeimbursed employe business expenses<br>(away thon home/outside stateporson)Limited deduction<br>Credit may be allowed<br>ternized deductionCredit may be allowed<br>Credit may be allowedTaxes paid to other states<br>Umeimbursed employe business expenses<br>(away thon home/outside stateporson)Limited deductionNondeductible<br>ordit may be allowedWet operating lossDeductible computed pursuant to IRC<br>state statutesNondeductible federal NOL added<br>back; NOL computed pursuant to IRC<br>persions and annuities starting<br>after July 1, 19863-year recovery rule eliminated<br>ach dependent<br>Increased standard deductionNondeductible federal NOL added<br>to capital gan portion; balance fully<br>parsion and annuities starting<br>after July 1, 1986Personal exemptions\$2,000 for taxpayer, spouse, and<br>each dependent<br>Increased standard deductionCredit may be allowed<br>to persions and annuities<br>starting after December 31, 1986<br>Credit may be allowedPersons age 65 or over<br>Prizes and awards:<br>Including charitable, scientific, etc.<br>Raitrad retirement board benefits<br>Reture and incoal<br>retirement systemsMay be taxableSame as federal<br>None<br>Credit may be allowedFederal Retirement SystemsMay be taxableGenerally same as federal<br>vegeral, exempt<br>for persons who were members of<br>the retirement systemsFederal Retirement SystemsNay be   | O  | ,                                     | One ditation in the self-round         |
| Medical deduction       Reduced by 7.5% of AGI       Credit may be allowed         Miscellaneous itemized deductions       Most are reduced by 2% of AGI       Credit may be allowed         Property taxes on home       Itemized deduction       Credit may be allowed         Unreimbursed employe business expenses<br>(away from home/outside salesperson)       Limited miscellaneous       Credit may be allowed         Wisconsin income tax       Limited miscellaneous       Credit may be allowed       Nondeductible; no credit allowed         Lump-sum distribution from qualified<br>retirement plan       Etemized deduction       Credit may be allowed       Nondeductible; no credit allowed         Net operating loss       Deductible computed pursuant to IRC       Nondeductible; no credit allowed       No averaging available         Persion and annuities starting<br>after July 1, 1966       3-year recovery rule eliminated       S-year recovery rule eliminated         Persons age 65 or over       Including charitable; scientific, etc.       Generally taxable       Same as federal         Raitread retirement borne       None       Credit may be allowed       for persons who were members of<br>dependent         Retribution from       May be taxable       Nontaxable       Credit may be allowed         Prizes and awards:       Including charitable; scientific, etc.       Generally taxable       Same as federal         Retribution   |  |                                       |  |
| Missellaneous itemized deductions<br>Moving expenses       Most are reduced by 2% of AGI<br>Itemized deduction       Credit may be allowed<br>Credit may be allowed         Taxes paid to other states       Itemized deduction       Credit may be allowed         Unreimburged employe business expenses<br>(away from home/outside salesperson)       Limited miscellaneous<br>itemized deduction       Credit may be allowed         Unreimburged employe business expenses<br>(away from home/outside salesperson)       Limited miscellaneous<br>itemized deduction       Nondeductible, no credit allowed         Unreimburged employe business expenses<br>(away from home/outside salesperson)       Motion       Nondeductible, capital<br>gain exclusion allowed on 25% of<br>capital gain portion; balance fully<br>taxable         Net operating loss       Deductible computed pursuant to IRC       Deductible computed pursuant to RC         Persion and annuities starting<br>after July 1, 1986       3-year recovery rule eliminated<br>for persions and annuities       3-year recovery rule eliminated<br>for persions and annuities         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent       Credit may be allowed         Prizes and awards:<br>Including charitable, scientific, etc.<br>Rent paid for nome       Generally taxable       Same as federal         None       Credit may be allowed       Nontaxable       Nontaxable         Retirement income from:<br>Wisconsin state and local<br>retirement systems       May be taxable       Generally same as federal; exempt<br>for persons who were   |  |                                       |  |
| Moving expenses       temized deduction       Credit may be allowed         Property taxes on home       temized deduction       Credit may be allowed         Taxes paid to other states       tumited miscellaneous       Credit may be allowed         Unreimbursed employe business expenses       timited miscellaneous       Credit may be allowed         (away from home/outside salesperson)       Wisconsin income tax       Nondeductible; no credit allowed         Wisconsin income tax       temized deduction       Credit may be allowed         Lump-sum distribution from qualified       temized deduction       Nondeductible; no credit allowed         temized deduction       Credit may be allowed       No wereging available         Very paint is the state stat  |  |                                       |  |
| Propring traises on home<br>Taxes paid to other states       termized deduction<br>termized deduction       Credit may be allowed         Unreimbursed employe business expenses<br>(away from home/outside salesperson)       Limited miscellaneous<br>termized deduction       Nondeductible; no credit allowed         Wisconsin income tax       termized deduction       Nondeductible; no credit allowed         Lume-sum distribution from qualified<br>retirement plan       Deductible computed pursuant to IRC       Nondeductible; no credit allowed         Vet operating loss       Deductible computed pursuant to IRC       Deductible federal NOL added<br>back; NOL computed pursuant to<br>state statutes         Persion and annuities starting<br>after July 1, 1966       3-year recovery rule eliminated<br>after July 1, 1966       -year recovery rule eliminated<br>tor pensions and annuities<br>starting after December 31, 1986         Persons age 65 or over<br>Increased standard deduction<br>Wisconsin state and local<br>retirement board benefits       Generally taxable<br>None       Same as federal<br>Nontaxable         Retirement income from:<br>Wisconsin state and local<br>retirement systems       May be taxable       Same as federal<br>None       Generally same as federal; exempt<br>for persons who were members of<br>Wisconsin state retirement<br>systems as of December 31, 1963, with limited<br>exceptions.         Federal Retirement Systems       May be taxable       Same as federal<br>None       Same as federal<br>exceptions.         Federal Retirement Systems       No exclusion       Same as federal<br>exceptions.       Same as federal  |  |                                       |  |
| Taxes paid to other states<br>Unreimbursed employe business expenses<br>(away from home/outside salesperson)Limited miscellaneous<br>uternized deduction<br>ternized deduction<br>ternized deductionCredit may be allowed<br>Credit may be allowed<br>Credit may be allowed<br>Nondeductible; no credit allowed<br>No averaging available; capital<br>gain exclusion allowed on 75% of<br>capital gain portion; balance fully<br>taxableNet operating lossDeductible computed pursuant to IRCNondeductible; no credit allowed<br>ternized deduction<br>gain exclusion allowed on 75% of<br>capital gain portion; balance fully<br>taxableNet operating lossDeductible computed pursuant to IRCDeductible faderal NOL added<br>back, NOL computed pursuant<br>stating after December 31, 1986Persion and annuities starting<br>after July 1, 19863-year recovery rule eliminated<br>ach dependent<br>increased standard deduction3-year recovery rule eliminated<br>for persions and annuities<br>starting after December 31, 1986Persons age 65 or over<br>Prizes and awards:<br>Including charitable, scientific, etc.<br>Retirement board benefits<br>Wisconsin state and local<br>retirement systemsGenerally taxable<br>May be taxableSame as federal<br>NontaxableFederal Retirement SystemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>certait system as of<br>December 31, 1963, with limited<br>exceptions.Scholarships and grants:<br>Degree candidates<br>Nondegree candidates<br>Nondegree candidates<br>Nondegree candidatesMay be taxableSame as federal<br>same as federal<br>same as federalNondegree candidates<br>Social security benefits<br>Date and municipal bond interest income<br>Social security benefitsMay be taxable <td></td> <td></td> <td>Credit may be allowed</td>  |  |                                       | Credit may be allowed                  |
| Uncerniburesed employe business expenses<br>(away from home/outside salesperson)         Limited miscellaneous<br>itemized deduction         Credit may be allowed           Wisconsin income tax         Mondeductible         Nondeductible; no credit allowed           Lump-sum distribution from qualified<br>retirement plan         Generally 5-year averaging available<br>Generally 5-year averaging available; capital<br>gain exclusion allowed on 75% of<br>capital gain portion; balance fully<br>taxable         Nondeductible; no credit allowed           Net operating loss         Deductible computed pursuant to IRC         Deductible federal NOL added<br>back; NOL computed pursuant to<br>state statutes           Persion and annuities<br>starting<br>after July 1, 1986         3-year recovery rule eliminated         3-year recovery rule eliminated           Personal exemptions         \$2,000 for taxpayer, spouse, and<br>each dependent         Credit may be allowed for<br>dependents           Personal exemptions         \$2,000 for taxpayer, spouse, and<br>each dependent         Same as federal           None         May be taxable         Nontaxable         Credit may be allowed           Retirement income from:         May be taxable         Same as federal         Notaxable           Wisconsin state and local<br>retirement systems         May be taxable         Generally same as federal; exempt<br>for persons who were members of<br>the retirement system as of<br>December 31, 1963, with limited<br>exceptions.           Federal Retirement Systems         May be taxable         Same as f   |  |                                       |  |
| (away from home/outside salesperson)<br>Wisconsin income tax<br>Lump-sum distribution from qualified<br>retirement planitemized deduction<br>temized deduction<br>Generally S-year averaging available<br>Generally S-year averaging available<br>Generally S-year averaging available<br>Generally S-year averaging availableNondeductible is no credit allowed<br>Nondeductible is no credit allowed<br>Sate statutesVersion and annuities starting<br>after July 1, 19663-year recovery rule eliminated<br>ach dependent<br>Increased standard deduction<br>Increased standard deduction<br>NoneNondeductible is no credit may be allowed for<br>dependents<br>Credit may be allowed<br>Nontaxable<br>NontaxablePersons and awards:<br>Including chartable, scientific, etc.<br>Ralireard income from:<br>Wisconsin state and local<br>retirement systemsMay be taxableSame as federal<br>secental; seempt<br>for persons who were members of<br>the retirement systems or<br>certail warne as federal; exempt<br>for persons who were members of<br>the retirement system as of<br>December 31, 1963, with limited<br>exceptions.Federal Retirement SystemsMay be taxableSame as federal<br>same as federal<br>same as federal<br>same as federal <b< td=""><td></td><td></td><td></td></b<>   |  |                                       |  |
| Wisconsin income tax<br>Lump-sum distribution from qualified<br>retirement plan       Itemized deduction<br>Generally 5-year averaging available<br>an exclusion allowed on 75% of<br>capital gain portion; balance fully<br>gain exclusion allowed on 75% of<br>capital gain portion; balance fully<br>avable         Net operating loss       Deductible computed pursuant to RC         Persion and annuities starting<br>after July 1, 1986       3-year recovery rule eliminated<br>after July 1, 1986       3-year recovery rule eliminated<br>for persions and annuities<br>state statutes         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent<br>Increased standard deduction       Credit may be allowed         Prizes and awards:<br>Including charitable, scientific, etc.<br>Railroad retirement board benefits<br>Rent paid to for mersons tate and local<br>retirement systems       Generally taxable<br>None       Same as federal<br>credit may be allowed         Federal Retirement systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>Wisconsin state and local<br>retirement systems       Generally taxable       Generally same as federal; exempt<br>for persons who were members of<br>Wisconsin state and local<br>retirement systems         Federal Retirement Systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>the retirement system as of<br>December 31, 1963, with limited<br>exceptions.         Scholarships and grants:<br>Degree candidates       No exclusion<br>related expenses       Same as federal<br>Generally taxable, limited<br>exceptions.         State income tax retunds       May be taxable       Same as f   |  |                                       | oroan may be anowed                    |
| Lump-sum distribution from qualified<br>retirement planGenerally 5-year averaging available<br>(apata gin exclusion allowed on 75% of<br>(apata gin exclusion allowed on 75% of<br>(apata gin portion, balance fully<br>taxableNo averaging available; capital<br>(apata gin exclusion allowed on 75% of<br>(apata gin portion, balance fully<br>taxableNet operating lossDeductible computed pursuant to IRCDeductible federal NOL added<br>back; NOL computed pursuant to<br>state statutesPersion and annuities starting<br>after July 1, 19863-year recovery rule eliminated<br>ach dependent3-year recovery rule eliminated<br>ach dependentPersons age 65 or over<br>Including charitable, scientific, etc.<br>Raircad retirement bard benefitsGenerally taxable<br>May be taxableCredit may be allowed for<br>dependentsReirement income from:<br>Wisconsin state and local<br>retirement systemsMay be taxableSame as federal<br>NonteFederal Retirement SystemsMay be taxableGenerally same as of December 31,<br>1063, with limited<br>exceptions.Federal Retirement SystemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>Wisconsin state and local<br>reliment systems as of December 31, 1963, with limited<br>exceptions.Scholarships and grants:<br>Degree candidatesExclusion limited to tuition and<br>related expenses<br>No degree candidatesSame as federal<br>Agy be taxableNondegree candidatesNo exclusionSame as federal<br>same as federal <br< td=""><td></td><td></td><td>Nondeductible: no credit allowed</td></br<>  |  |                                       | Nondeductible: no credit allowed       |
| retirement plan gain exclusion allowed on 75% of capital gain portion; balance fully taxable Net operating loss Net operating loss Deductible computed pursuant to IRC Deductible federal NOL added to state statutes 3-year recovery rule eliminated after July 1, 1996 Persona and annuities starting after July 1, 1996 Persona active starting after December 31, 1996 Persons age 65 or over Prizes and awards: Including charitable, scientific, etc. Retirement income from: Wisconsin state and local Retirement systems Way be taxable Retirement Systems Kay be taxable Retirement Systems Kay be taxable Retirement Systems Kay be taxable Scholarships and grants: Degree candidates Nondegree candidates No exclusion Scholarships and grants: Degree candidates No exclusion No exclusion Kay be taxable No exclusion Kay be taxable No exclusion Kay be taxable   |  |                                       |  |
| Net operating loss       Deductible computed pursuant to IRC       Deductible federal NOL added back (NOL computed pursuant to state statutes         Pension and annuities starting after July 1, 1986       3-year recovery rule eliminated after July 1, 1986       3-year recovery rule eliminated for pensions and annuities stating after December 31, 1986         Personal exemptions       \$2,000 for taxpayer, spouse, and each dependent       Generally taxable       Credit may be allowed for dependents         Persons age 65 or over       Increased standard deduction       Credit may be allowed         Prizes and awards:       Increased standard deduction       Credit may be allowed         Prizes and awards:       Generally taxable       Same as federal         Nontaxable       May be taxable       Nontaxable         Retirement board benefits       May be taxable       Same as federal; exempt for persons who were members of Wisconsin state and local         Wisconsin state and local       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Same as federal         Nondegree candidates       No exclusion       Same as federal         Scholarships and grants:       Degree candidates       Same as federal         Degree candidates       No exclu   |  |                                       | gain exclusion allowed on 75% of       |
| Net operating loss       Deductible computed pursuant to IRC       Deductible federal NQL added back, NQL computed pursuant to state statutes         Personal annuities starting after July 1, 1986       3-year recovery rule eliminated after July 1, 1986       3-year recovery rule eliminated for persions and annuities starting after December 31, 1986         Personal exemptions       \$2,000 for taxpayer, spouse, and each dependent increased standard deduction       Credit may be allowed for dependent increased standard deduction       Credit may be allowed         Pirzes and awards:       Increased standard deduction       Credit may be allowed         Raitroad retirement board benefits       May be taxable       Same as federal         Wisconsin state and local retirement systems       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement systems as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       No exclusion       Same as federal         Nondegree candidates       May be taxable       Same as federal       Same as federal         State and municipal bond interest income       Xay be taxable       Same as federal       Same as federal         Legree candidates       May be taxable       Same as fede   |  |                                       | capital gain portion; balance fully    |
| Persion and annuities starting<br>after July 1, 1986       3-year recovery rule eliminated<br>after July 1, 1986       3-year recovery rule eliminated<br>for pensions and annuities<br>starting after December 31, 1986         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent<br>increased standard deduction       Credit may be allowed         Prizes and awards:<br>including charitable, scientific, etc.<br>Railroad retirement board benefits       Generally taxable<br>None       Same as federal         Reitrement income from:<br>Wisconsin state and local<br>retirement systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>Wisconsin state and local<br>retirement Systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>Wisconsin state and local<br>retirement Systems         Federal Retirement Systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>the retirement system as of<br>December 31, 1963, with limited<br>exceptions.         Scholarships and grants:<br>Degree candidates       Exclusion limited to tuition and<br>related expenses       Same as federal<br>same as federal         Nondegree candidates       No exclusion<br>May be taxable       Same as federal<br>Same as federal         State and municipal bond interest income       Exempt       Same as federal<br>Generally taxable; limited<br>exceptions         State income tax retunds<br>Inemployment compensation (insurance)       May be taxable       Same as federal<br>Generally taxable; limited<br>exceptions <td></td> <td></td> <td></td>   |  |                                       |  |
| Pension and annuities starting<br>after July 1, 1966       3-year recovery rule eliminated<br>after July 1, 1966       3-year recovery rule eliminated<br>for pensions and annuities<br>starting after December 31, 1986         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent       Starting after December 31, 1986         Persons age 65 or over       Increased standard deduction       Credit may be allowed         Prizes and awards:       Including charitable, scientific, etc.       Generally taxable       Same as federal         None       Credit may be allowed       Credit may be allowed       Credit may be allowed         Retirement income from:       Wisconsin state and local       None       Credit may be allowed         Wisconsin state and local       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>Wisconsin State fachers or<br>certain Milwaukee retirement<br>systems as of December 31,<br>1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal<br>exceptions.         Scholarships and grants:       Degree candidates       Nondegree candidates       Same as federal<br>related expenses         Nondegree candidates       No exclusion       Same as federal<br>same as federal         Scholarships and grants:       May be taxable       Same as federal<br>related expenses         Scholarships and grants:       Exclusion limited to tuition and<br>related expenses       S  | Net operating loss                       | Deductible computed pursuant to IRC   |  |
| Persion and annuities starting<br>after July 1, 1986       3-year recovery rule eliminated<br>for persions and annuities<br>starting after December 31, 1986         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent<br>Increased standard deduction       3-year recovery rule eliminated<br>for persions and annuities<br>starting after December 31, 1986         Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent<br>Increased standard deduction       Credit may be allowed for<br>dependents         Prizes and awards:<br>Including charitable, scientific, etc.       Generally taxable       Same as federal         Raifroad retirement board benefits       May be taxable       Nontaxable         Retirement income from:<br>Wisconsin state and local<br>retirement systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>Wisconsin State Teachers or<br>certain Milwaukee retirement<br>systems as of December 31,<br>1963, with limited<br>exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>the retirement system as of<br>December 31, 1963, with limited<br>exceptions.         Scholarships and grants:<br>Degree candidates       Exclusion limited to tuition and<br>related expenses       Same as federal         Nondegree candidates       No exclusion       Same as federal         Nondegree candidates       May be taxable       Same as federal         Scholarships and grants:<br>Degree tand municipal bond interest income       May be taxable       Sam   |  |                                       |  |
| after July 1, 1986       for pensions and annuities         Personal exemptions       \$2,000 for taxpayer, spouse, and each dependent       starting after December 31,1996         Persons age 65 or over       Increased standard deduction       Credit may be allowed         Prizes and awards:       Increased standard deduction       Credit may be allowed         Prizes and awards:       Increased standard deduction       Credit may be allowed         Prizes and awards:       May be taxable       Same as federal         Railroad retirement board benefits       May be taxable       Nontaxable         Retirement income from:       Wisconsin state and local       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       No exclusion       Same as federal         Nondegree candidates       No exclusion       Same as federal       Same as federal         Nondegree candidates       No exclusion       Same as federal       Same as federal         State and municipal bond interest income       Xay be taxable       Same as federal       Same as federal  | Deputer and ensuities starting           | 2 year receiver rule aliminated       |  |
| Personal exemptions\$2,000 for taxpayer, spouse, and<br>each dependent<br>Increased standard deductionstarting after December 31,1986<br>Credit may be allowed for<br>dependents<br>Credit may be allowedPersons age 65 or over<br>Prizes and awards:<br>Including charitable, scientific, etc.<br>Railroad retirement board benefits<br>Retirement income from:<br>Wisconsin state and local<br>retirement systemsGenerally taxable<br>May be taxable<br>NoneSame as federal<br>Nontaxable<br>Credit may be allowedWisconsin state and local<br>retirement systemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>Wisconsin State and local<br>retirement SystemsFederal Retirement SystemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>Wisconsin State and local<br>retirement SystemsFederal Retirement SystemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>the retirement system as of<br>December 31, 1963, with limited<br>exceptions.Scholarships and grants:<br>Degree candidatesExclusion limited to tuition and<br>related expenses<br>No exclusionSame as federal<br>Same as federal<br>Same as federalNondegree candidates<br>Social security benefitsMay be taxableSame as federal<br>Same as federalNondegree candidates<br>State and municipal bond interest incomeMay be taxable<br>ExemptSame as federal<br>Generally taxable, limited<br>exceptionsState income tax refunds<br>Jremployment compersation (insurance)May be taxable<br>All, a portion, or none may be   |  | S-year recovery fulle enrinnated      |  |
| Personal exemptions       \$2,000 for taxpayer, spouse, and<br>each dependent       Credit may be allowed for<br>dependents         Persons age 65 or over       Increased standard deduction       Credit may be allowed         Prizes and awards:       Increased standard deduction       Credit may be allowed         Including charitable, scientific, etc.       Generally taxable       Same as federal         Railroad retirement board benefits       May be taxable       Nontaxable         Rent paid for home       None       Credit may be allowed         Retirement income from:       Wisconsin state and local       May be taxable       Same as federal; exempt<br>for persons who were members of<br>Wisconsin state and local         Federal Retirement Systems       May be taxable       Generally same as federal; exempt<br>for persons who were members of<br>the retirement systems as of December 31,<br>1963, with limited<br>exceptions.         Scholarships and grants:       Degree candidates       No exclusion       Same as federal<br>exceptions.         Nondegree candidates       No exclusion       Same as federal<br>same as federal       Same as federal         Nondegree candidates       No exclusion       Same as federal       Same as federal         State and municipal bond interest income       Exempt       Same as federal       Same as federal         State income tax refunds       May be taxable       Nontaxable, limited<br>exceptions <td>aker suly 1, 1900</td> <td></td> <td></td>   | aker suly 1, 1900                        |                                       |  |
| Persons age 65 or over       each dependent       dependents         Prizes and awards:       Increased standard deduction       Credit may be allowed         Prizes and awards:       May be taxable       Same as federal         Railroad retirement board benefits       May be taxable       Nontaxable         Retirement income from:       Wisconsin state and local       May be taxable       Credit may be allowed         Wisconsin state and local       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems       Generally same as federal; exempt for persons who were members of the retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       No exclusion       Same as federal         Nondegree candidates       No exclusion       Same as federal       Same as federal         Nondegree candidates       No exclusion       Same as federal       Same as federal         State and municipal bond interest income       Exempt       Generally taxable       Same as federal         State income tax refunds       May be taxable       Same as federal       May be taxable </td <td>Personal exemptions</td> <td>\$2,000 for taynaver, shouse, and</td> <td></td>  | Personal exemptions                      | \$2,000 for taynaver, shouse, and     |  |
| Persons age 65 or over       Increased standard deduction       Credit may be allowed         Prizes and awards:       Increased standard deduction       Credit may be allowed         Railroad retirement board benefits       May be taxable       Nontaxable         Rent paid for home       None       Credit may be allowed         Retirement income from:       Wisconsin state and local       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       No exclusion       Same as federal         Nondegree candidates       No exclusion       Same as federal       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable, limited         State income tax refunds       May be taxable       Same as federal         State income tax refunds       May be taxable <td< td=""><td></td><td></td><td></td></td<>  |  |                                       |  |
| Prizes and awards:       Including charitable, scientific, etc.       Generally taxable       Same as federal         Railroad retirement board benefits       May be taxable       Nontaxable       Credit may be allowed         Retirement income from:       Wisconsin state and local       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       No exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion       Same as federal         Scial security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions.         State income tax retunds       May be taxable       Nontaxable       Nontaxable         Unemployment compensation (insurance)       May be taxable       Nontaxable       Nontaxable   | Persons age 65 or over                   |                                       |  |
| Railroad retirement board benefits       May be taxable       Nontaxable         Retirement income from:       Way be taxable       Credit may be allowed         Wisconsin state and local       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions.         State income tax refunds       May be taxable       Same as federal         State income tax refunds       May be taxable       Nontaxable         Inemployment compensation (insurance)       100% taxable       All, a portion, or none may be  |  |                                       |  |
| Rent paid for home       None       Credit may be allowed         Retirement income from:       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion       Same as federal         Scial security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions.         State income tax refunds       May be taxable       Nontaxable         Inemployment compensation (insurance)       100% taxable       All, a portion, or none may be   | Including charitable, scientific, etc.   | Generally taxable                     | Same as federal                        |
| Retirement income from:       Wisconsin state and local       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion       Same as federal         Scial security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions.         State income tax refunds       May be taxable       Nontaxable         Inemployment compensation (insurance)       100% taxable       All, a portion, or none may be   | Railroad retirement board benefits       | May be taxable                        |  |
| Wisconsin state and local<br>retirement systemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>Wisconsin State Teachers or<br>certain Milwaukee retirement<br>systems as of December 31,<br>1963, with limited exceptions.Federal Retirement SystemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>Wisconsin State Teachers or<br>certain Milwaukee retirement<br>systems as of December 31,<br>1963, with limited exceptions.Federal Retirement SystemsMay be taxableGenerally same as federal; exempt<br>for persons who were members of<br>the retirement system as of<br>December 31, 1963, with limited<br>exceptions.Scholarships and grants:<br>Degree candidatesExclusion limited to tuition and<br>related expensesSame as federalNondegree candidatesNo exclusionSame as federalSocial security benefitsMay be taxableSame as federalState and municipal bond interest incomeExemptGenerally taxable; limited<br>exceptionsState income tax refundsMay be taxableNontaxableJnemployment compensation (insurance)100% taxableAll, a portion, or none may be  |  | None                                  | Credit may be allowed                  |
| retirement systems for persons who were members of Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.<br>Federal Retirement Systems May be taxable Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.<br>Scholarships and grants: Degree candidates Exclusion limited to tuition and related expenses No exclusion Same as federal Same as federal State and municipal bond interest income Exempt Generally taxable Imited exceptions State income tax refunds May be taxable Nontaxable Nontaxable Nontaxable All, a portion, or none may be  |  |                                       | <b>.</b>                               |
| Federal Retirement Systems       May be taxable       Wisconsin State Teachers or certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions         State income tax refunds       May be taxable       Nontaxable         Jnemployment compensation (insurance)       100% taxable       All, a portion, or none may be   |  | May be taxable                        |  |
| Federal Retirement Systems       May be taxable       certain Milwaukee retirement systems as of December 31, 1963, with limited exceptions.         Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion       Same as federal         Scale accurity benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions         State income tax refunds       May be taxable       Nontaxable         Jnemployment compensation (insurance)       100% taxable       All, a portion, or none may be  | retirement systems                       |                                       |  |
| Federal Retirement Systems       May be taxable       Systems as of December 31, 1963, with limited exceptions.         Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.       December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       No exclusion       Same as federal         Scale as curity benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions         State income tax refunds       May be taxable       Nontaxable         Unemployment compensation (insurance)       100% taxable       All, a portion, or none may be  |  |                                       |  |
| Federal Retirement Systems       May be taxable       1963, with limited exceptions.         Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.       December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       No exclusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions         State income tax refunds       May be taxable       Nontaxable         Unemployment compensation (insurance)       100% taxable       All, a portion, or none may be   |  |                                       |  |
| Federal Retirement Systems       May be taxable       Generally same as federal; exempt for persons who were members of the retirement system as of December 31, 1963, with limited exceptions.         Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion       Same as federal         Scholarships and grants:       Exclusion limited to tuition and related expenses       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions         State income tax refunds       May be taxable       Nontaxable         Unemployment compensation (insurance)       100% taxable       All, a portion, or none may be   |  |                                       |  |
| Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       Move clusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited         State income tax refunds       May be taxable       Nontaxable         Unemployment compensation (insurance)       100% taxable       All, a portion, or none may be  | Federal Detirement Cunteme               | May be tayable                        |  |
| Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       No exclusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited         State income tax refunds       May be taxable       Nontaxable         Jnemployment compensation (insurance)       100% taxable       All, a portion, or none may be   | receital neurement systems               | ividy be laxable                      |  |
| Scholarships and grants:       December 31, 1963, with limited exceptions.         Degree candidates       Exclusion limited to tuition and related expenses         Nondegree candidates       No exclusion         Social security benefits       May be taxable         State and municipal bond interest income       Exempt         State income tax refunds       May be taxable         Nontaxable       Nontaxable         Jnemployment compensation (insurance)       100% taxable  |  |                                       |  |
| Scholarships and grants:       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       No exclusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited         State income tax refunds       May be taxable       Nontaxable         Unemployment compensation (insurance)       100% taxable       All, a portion, or none may be  |  |                                       |  |
| Scholarships and grants:       Degree candidates       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       No exclusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited         State income tax refunds       May be taxable       Nontaxable         Jnemployment compensation (insurance)       100% taxable       All, a portion, or none may be   |  |                                       |  |
| Degree candidates       Exclusion limited to tuition and related expenses       Same as federal         Nondegree candidates       No exclusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited exceptions         State income tax refunds       May be taxable       Nontaxable         Jnemployment compensation (insurance)       100% taxable       All, a portion, or none may be   | Scholarships and grants:                 |                                       | <b>.</b>                               |
| Nondegree candidates       No exclusion       Same as federal         Social security benefits       May be taxable       Same as federal         State and municipal bond interest income       Exempt       Generally taxable; limited         State income tax refunds       May be taxable       Nontaxable         Jnemployment compensation (insurance)       100% taxable       All, a portion, or none may be  | Degree candidates                        | Exclusion limited to tuition and      | Same as federal                        |
| Social security benefits     May be taxable     Same as federal       State and municipal bond interest income     Exempt     Generally taxable; limited       State income tax refunds     May be taxable     Nontaxable       Jnemployment compensation (insurance)     100% taxable     All, a portion, or none may be  | -  |                                       |  |
| State and municipal bond interest income Exempt Generally taxable; limited exceptions<br>State income tax refunds May be taxable Nontaxable<br>Jnemployment compensation (insurance) 100% taxable All, a portion, or none may be   |  |                                       |  |
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| State income tax refunds May be taxable Nontaxable<br>Jnemployment compensation (insurance) 100% taxable All, a portion, or none may be  | State and municipal bond interest income | Exempt                                |  |
| Jnemployment compensation (insurance) 100% taxable All, a portion, or none may be  | <b>.</b>                                 | March a secold                        |  |
|  |  |                                       |  |
|  | unemployment compensation (insurance)    | 100% Taxadie                          | All, a portion, or none may be taxable |

## **ISI&E DIVISION OFFERS TAXPAYER ASSISTANCE**

During the filing season of January through April 16, 1990, department personnel will be available to answer questions.

In the department's larger offices, assistance is provided on a daily basis (Monday through Friday). Assistance in other offices generally is available on Mondays only, although there is an exception for Janesville as noted below.

#### **Offices Providing Daily Assistance**

| Location    | Address                | Telephone No.                 | Hours     |
|-------------|------------------------|-------------------------------|-----------|
| *Appleton   | 265 W. Northland       | (414) 832-2727                | 7:45-4:30 |
| *Eau Claire | 718 W. Clairemont      | (715) 836-2811                | 7:45-4:30 |
| *Green Bay  | 200 N. Jefferson St.   | (414) 436-4230                | 7:45-4:30 |
| *Kenosha    | 5500 8th Ave.          | (414) 656-7100                | 7:45-4:30 |
| *La Crosse  | 620 Main               | (608) 785-9720                | 7:45-4:30 |
| *Madison    | 4638 University Ave.   | (608) 266-2772                | 7:45-4:30 |
| Madison     | 212 E. Washington Ave. | NONE                          | 8:00-4:15 |
| *Milwaukee  | 819 N. Sixth St.       | (414) 227-4000                | 7:45-4:30 |
| *Racine     | 616 Lake Ave.          | (414) 636-3711                | 7:45-4:30 |
| *Waukesha   | 141 N.W. Barstow St.   | (414) 521-5310                | 7:45-4:30 |
|             |                        | (414) 524-3970 (after 2/3/90) |           |

#### Offices Providing Assistance on Mondays Only (unless otherwise noted)

| Baraboo          | 1007 Washington      | (608)356-8973 | 7:45-4:30    |
|------------------|----------------------|---------------|--------------|
| Beaver Dam       | 211 S. Spring St.    | (414)887-8108 | 7:45-4:30    |
| Elkhorn          | 300 S. Lincoln St.   | (414)723-4098 | 7:45-4:30    |
| Fond du Lac      | 160 S. Macy St.      | (414)929-3985 | 7:45-4:30    |
| Grafton          | 220 Oak St.          | (414)377-6700 | 7:45-4:30    |
| Hayward          | 221 Kansas Ave.      | (715)634-8478 | 7:45-11:45   |
| Hudson           | 1810 Crestview Dr.   | (715)386-8224 | 7:45-4:30    |
| Janesville       | 101 E. Milwaukee     | (608)755-2750 | 7:45-4:30(a) |
| Lancaster        | 130 W. Elm St.       | (608)723-2641 | 7:45-4:30    |
| Manitowoc        | 1314 Memorial Dr.    | (414)683-4152 | 7:45-4:30    |
| Marinette        | 1926 Hall Ave.       | (715)735-5498 | 9:00-12:00   |
| Marshfield       | 630 S. Central Ave.  | (715)387-6346 | 7:45-4:30    |
| Monroe           | 1220 16th Ave.       | (608)325-3013 | 7:45-4:30    |
| Oshkosh          | 404 N. Main St.      | (414)424-2100 | 7:45-4:30    |
| Rhinelander      | 203 Schiek Plaza     | (715)362-6749 | 7:45-4:30    |
| Rice Lake        | 101 N. Wilson Ave.   | (715)234-7889 | 7:45-4:30    |
| Shawano          | 420 E. Green Bay St. | (715)526-5647 | 7:45-4:30    |
| Sheboygan        | 504 S. 14th St.      | (414)459-3101 | 7:45-4:30    |
| Superior         | 1418 Tower Ave.      | (715)392-7985 | 8:00-4:30    |
| Tomah            | 819 Superior Ave.    | (608)372-3256 | 8:00-12:00   |
| Watertown        | 600 E. Main St.      | (414)261-7700 | 7:45-4:30    |
| Waupaca          | 201 1/2 S. Main St.  | (715)258-9564 | 7:45-11:45   |
| Wausau           | 710 Third St.        | (715)842-8665 | 7:45-4:30    |
| West Bend        | 120 N. Main St.      | (414)338-4730 | 7:45-4:30    |
| Wisconsin Rapids | 1681 2nd Ave., S.    | (715)421-0500 | 7:45-4:30    |
|                  |                      |               |              |

(a) Monday through Wednesday

\* Open during noon hour

## **REPORT ON LITIGATION**

This portion of the WTB summarizes recent significant Tax Appeals Commission and Wisconsin court decisions. The last paragraph of each decision indicates whether the case has been appealed to a higher court.

The last paragraph of each WTAC decision in which the department's determination has been reversed will indicate one of the following: (1) "the department appealed," (2) "the department has not appealed but has filed a notice of nonacquiescence" or (3) "the department has not appealed" (in this case the department has acquiesced to the Commission's decision).

The following decisions are included:

#### **Individual Income Taxes**

Keith Breyer (p. 12) Corporate liquidations—section 333

Stephen Kalish (p. 12) Farm loss limitations

#### **Homestead Credit**

Andrew Tomaszewski (p. 12) Property taxes accrued—joint ownership

#### Corporation Franchise or Income Taxes

Consolidated Freightways Corporation (p. 13) Apportionment---motor carriers

Freedom Savings & Loan Association (p. 13) Filing requirements—franchise or income tax return

L & W Construction Company, Inc. (p. 14) Manufacturer's sales tax credit

#### Sales/Use Taxes

Arndt Enterprises, Inc. (p.14) Farming—ginseng raising

Dairyland Harvestore, Inc. and Badgerland Harvestore Systems, Inc. (p. 15) Refunds and remedies of taxpayers claims for refunds