

Information Regarding Application to Ascertain Wisconsin Net Income Tax Reported As Paid or Payable

Who May Apply?

A Wisconsin resident may obtain the net Wisconsin income tax, Wisconsin franchise tax, or Wisconsin gift tax reported as paid or payable of another person or corporation as provided by sec. 71.78(2), Wis. Stats. This information is generally not available to any nonresident, or to any resident who is making the request for the information for the benefit of a nonresident person or corporation.

What Is Net Tax Reported As Paid Or Payable?

“Net tax reported as paid or payable” is the “net tax” reported on an individual income tax return (Form 1, 1A, 1X, WI-Z, and 1NPR), fiduciary return (Form 2), and corporation franchise or income tax return (Form 4, 5, and 5S), less any credit for taxes paid to another state. If an amended return has been filed, net tax reported as paid or payable is the “net tax,” less any credit for taxes paid to another state, reported on the amended individual income tax return (Form 1X) or corporation franchise or income tax return (Form 4X). If an adjustment notice has been issued, net tax reported as paid or payable is the “net tax,” less any credit for taxes paid to another state, as computed on the adjustment notice. In the cases of amended returns and adjusted returns, the net tax line from the original return is no longer used to determine the net tax reported as paid or payable.

For 1987 and thereafter, Wisconsin law provides an alternative minimum tax which is included in the computation of net tax reported as paid or payable on an individual income tax return. The “net tax” amount disclosed for 1987 and subsequent years will include any alternative minimum tax reported as paid or payable. For 1986 and prior years, Wisconsin law provided for a separate minimum tax that was added to net tax reported on an individual income tax return. A requester may not obtain this minimum tax amount reported as paid or payable by an individual.

It should be noted that a tax-option (Subchapter S) corporation, a limited liability company (LLC) filing as a partnership, an LLP, and a partnership will usually have no net tax since its income/loss is passed through to the shareholders/partners.

How Does A Requester Apply?

A requester is required to complete Form P-100, “Application To Ascertain Wisconsin Net Income Tax Reported As Paid or Payable.” All parts of the application must be completed. The application may be mailed to the Wisconsin Department of Revenue, P.O. Box 8906, Mail Stop 5-144, Madison, WI 53708-8906.

Applications received by mail **must** have the Notary Public portion of the application fully completed. Only

original signatures are accepted. Photocopies, faxes, and e-mail requests are not accepted.

The requester may also apply in person at the Department of Revenue office at 2135 Rimrock Road, Madison from 7:45 a.m. to 4:30 p.m. on weekdays. A requester who applies in person must present an acceptable form of identification (for example, a driver's license). The Central Audit Section Chief in the Department of Revenue will provide the net tax information to a requester who applies in person as soon as possible after receiving the application. Since the return of the person or corporation subject to disclosure may not be readily available, for example it may be located in one of the department's district or branch offices, it is not always possible for the department to respond immediately. The department will let the requester know if additional time is required to obtain the net tax information and about when that information may be available.

As a general guideline, the approximate time the department needs to complete a request is as follows:

- a. One or just a few taxpayers with one or a few years – 1-2 weeks.
- b. Five to ten taxpayers with multiple years – 2-3 weeks.
- c. More than ten taxpayers covering many years for each taxpayer – 4 plus weeks.

If the requester has a “needed by date,” the requester should let the department know and the department will try to meet it. The above timeframes are merely guidelines and the department will try to complete them sooner.

A requester may call the department prior to appearing in person at the Madison office, so that the information being requested can be compiled ahead of time. The department will provide an estimate of how long it will take to compile the requested information. The requester will still need to present a completed Form P-100 and an acceptable form of identification upon arriving at our office.

Is There A Fee For A Net Tax Request?

A fee of \$4 must be paid for each return from which the net tax paid or payable is requested. The fee must be paid before the net tax paid or payable is provided or mailed. The fee will be charged even if the net tax paid or payable is \$0 or if we cannot find a record of the return being filed using the information provided to us.

What Information Is Disclosed?

The net income tax, franchise tax, or gift tax reported as paid or payable may be disclosed to the requester. If no record of a return has been found for the person or corporation subject to the request, the requester will be so advised. **"No record"** means we cannot find a record of the return(s) being filed using the information provided to us. It should not be interpreted to mean that the taxpayer is a nonfiler. Reasons no record could be found include:

- The name and address provided does not match our records.
- The return in question may be in process or not due yet because the taxpayer's fiscal year ended recently, the return was filed recently and is still being processed, or the taxpayer had an extension of time to file.
- The tax is reported by a subsidiary corporation(s), etc. A limited liability company (LLC) that is a disregarded entity for income tax purposes includes its income, losses, and deductions on its owner's return.

If the taxpayer who is the subject of the request filed a joint return for the tax year involved, the net tax from that joint return will be disclosed, regardless of the fact that the requester identified only one spouse.

(Note: Information will not be disclosed over the telephone. Also, the requester is not permitted to examine or receive a photocopy of the return.)

Is There Notice To Taxpayer Of The Disclosure?

Within 24 hours of furnishing the net tax reported as paid or payable, the department will notify in writing the person or corporation whose net tax from a return was subject to disclosure. The requester's name, address, reason given for the request, the years(s), net tax amount and the date released will be provided to the person or corporation subject to the disclosure. If the requester obtained the net tax information for any other person or organization, that name and address will also be provided.

Additional Information

If you need additional information about a net tax request, contact the Department of Revenue at (608) 267-7423 or fax # (608) 267-0834.