

**WISCONSIN DEPARTMENT OF REVENUE
DIVISION OF INCOME, SALES, AND EXCISE TAX**

NOTICE OF PROPOSED GUIDANCE DOCUMENTS

Pursuant to sec. 227.112, Wis. Stats., the Wisconsin Department of Revenue, Division of Income, Sales, and Excise Taxes hereby seeks comment on the proposed guidance document listed in the table below.

SUBMITTING PUBLIC COMMENTS

Public comments on proposed or adopted guidance documents may be submitted online at: <https://www.revenue.wi.gov/Pages/contactUs/proposed-Guidance.aspx>.

DEADLINE FOR SUBMISSION

The period for public comment for proposed guidance documents ends 21 days after publication in the Administrative Register, unless the Governor approves a shorter commenting period.

Document Number	Document Title
100265	Wisconsin Adopts Tax Relief in the Federal CARES Act - Information Article

State of Wisconsin
Department of Revenue

Wisconsin Adopts Tax Relief in the Federal CARES Act

This is a proposed guidance document. The document has been submitted to the Legislative Reference Bureau for publication in the Administrative Register for public comment as provided by sec. 227.112(1), Wis. Stats.

On March 27, 2020, [Public Law 116-136](#), Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted. Pursuant to sec. 71.01(7n), Wis. Stats., the following retirement plan provisions automatically apply for Wisconsin purposes.

- Section 2203 – relating to the temporary waiver of required minimum distribution rules for certain retirement plans and accounts
- Section 3608 – relating to the extension of time to make minimum required contributions to single-employer defined benefit pension plans
- Section 3609 – relating to eligibility of a cooperative and small employer charity pension plan

On April 15, 2020, the Governor signed [2019 Wisconsin Act 185](#), which adopts the following tax provisions from Division A of the CARES Act. These provisions apply for Wisconsin tax purposes at the same time as for federal income tax purposes.

- Section 1106 – relating to the exclusion from income for the cancellation of small business loans
- Section 2202 – relating to the waiver of penalties for early withdrawals from qualified retirement plans
- Section 2204 – relating to an above-the-line deduction for up to \$300 of charitable cash contributions
- Section 2205 – relating to increased limitations on charitable contribution deductions
- Section 2206 – relating to an exclusion from income for payments an employer makes for an employee's student loans
- Section 2307 – relating to the classification of qualified improvement property for depreciation purposes

The classification of qualified improvement property applies retroactively to taxable years beginning on or after January 1, 2018. As a result, if persons amend their federal income tax return, they must amend their Wisconsin tax returns to recompute depreciation on the qualified improvement property. However, persons cannot claim bonus depreciation for Wisconsin.

- Section 3701 – relating to eligibility of high deductible health plans for purposes of health savings accounts
- Section 3702 – relating to qualified distributions from health savings accounts and Archer medical savings accounts

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations enacted as of April 20, 2020: Chapter 71, Wis. Stats., and Public Law 116-136.

Laws enacted and in effect after April 20, 2020, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to April 20, 2020, that is contrary to the information in this document is superseded by this document, pursuant to sec. 73.16(2)(a), Wis. Stats.

FOR QUESTIONS OR COMMENTS CONTACT:

MS 5-77

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Guidance Document Certification: <https://www.revenue.wi.gov/Pages/Certification-Statement.aspx>

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