

No. 449, S.]

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CHAPTER 240

AN ACT to amend 85.01 (4) (dm); to repeal and recreate 76.54; and to create 71.18, 78.01 (2) (d) and 78.40 (2) (c) of the statutes, relating to taxes assessed on companies engaged in the urban mass transportation of passengers.

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

SECTION 1. 71.18 of the statutes is created to read:

71.18 URBAN TRANSIT COMPANIES; SPECIAL TAX. (1) COMPUTATION. In lieu of the tax rates prescribed in s. 71.09, there shall be assessed, levied and collected upon the taxable income of every corporation, partnership or other person whose principal source of revenue is the urban mass transportation of passengers a special income tax of 50 per cent determined in accordance with this chapter, except that:

(a) United States income, excess or war profits and defense taxes shall be allowed as a deduction from gross income to the extent of the total amount actually paid during the tax year.

(b) A deduction shall be allowed from such taxable income as hereinabove defined, and before the imposition of the special tax levied by this section, in an amount equivalent to 8 per cent of the cost of the property of such corporation used and useful in providing its urban mass transportation service, but reduced by the amount of the depreciation accrued

against such property as of the end of the fiscal year for which the income tax return is filed.

(c) An amount shall be added to such taxable income as hereinabove defined, and before imposition of the special tax levied by this section, which amount shall be equivalent to the interest accrued during the year in the operation of the business from which its income is derived.

(2) DEFINITIONS. (a) "Urban mass transportation of passengers" shall mean the transportation of passengers by means of vehicles having a passenger carrying capacity of more than 7 persons which takes place entirely within contiguous incorporated cities or villages and in municipalities contiguous to that in which the carrier has its principal place of business, or within or between municipalities located within a radius of 10 miles of the municipality in which the carrier has its principal place of business, or entirely within one municipality or municipalities contiguous thereto, or within a county having a population of 500,000 or more or within such county and the counties contiguous thereto, or suburban operations classified as such by the public service commission.

(b) The cost of property used and useful in providing urban mass transportation service and the depreciation accrued on such property shall be determined on the basis of the reports and orders on file with the public service commission.

(3) PAYMENT OF TAX. The special income tax assessed under this section shall be reported in an income tax return filed in accordance with this chapter, except as modified by this section. The tax so reported and assessed shall be payable to the department of taxation, and when collected, shall be apportioned to the state, counties, towns, cities and villages in the same manner as taxes are apportioned pursuant to s. 76.28.

SECTION 2. 76.54 of the statutes is repealed and recreated to read:

76.54 MOTOR CARRIERS AND URBAN TRANSIT COMPANIES: MUNICIPAL TAXATION. No city, village or town shall impose a license tax upon either of the following:

(1) Any common motor carrier of property or of passengers, any contract motor carrier or any private motor carrier on account of any operation of a motor vehicle which is subject to registration or taxation under ch. 85.

(2) Any corporation or other person engaged in urban mass transportation of passengers as defined in s. 71.18 (2) (a).

SECTION 3. 78.01 (2) (d) of the statutes is created to read:

78.01 (2) (d) Motor fuel sold to a common motor carrier as defined in ch. 194, when such carrier certifies to the department that the motor fuel is for use in the operation of a motor vehicle for the urban mass transportation of passengers as defined in s. 71.18 (2) (a).

SECTION 4. 78.40 (2) (c) of the statutes is created to read:

78.40 (2) (c) Special fuel used by a common motor carrier as defined in ch. 194, when such carrier certifies to the department that the motor fuel is for use in the operation of a motor vehicle for the urban mass transportation of passengers as defined in s. 71.18 (2) (a).

SECTION 5. 85.01 (4) (dm) of the statutes is repealed and recreated to read:

85.01 (4) (dm) For the registration of each motor vehicle used for the urban mass transportation of passengers as defined in s. 71.18 (2) (a), or each motor vehicle operated as auxiliary to or a part of a street railway system, the annual fee shall be \$1.

SECTION 6. This act shall take effect according to the following schedule:

(a) SECTION 1 shall take effect July 1, 1955, for any taxpayer affected thereby whose fiscal year ends after June 30, 1955.

(b) SECTION 2 shall take effect on the last day of any license year first ending after the passage and publication of this act, but not later than June 30, 1956.

(c) SECTIONS 3, 4 and 5 shall take effect July 1, 1955.

Approved June 14, 1955.
