



# This Week in State Tax (TWIST)

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## Wisconsin: Credit Claimed on Post-Field Audit Return Denied

The Wisconsin Tax Appeals Commission recently addressed whether a taxpayer was entitled to a refund of corporate income tax related to a credit claimed on an amended return. The taxpayer filed its original 2013 Wisconsin corporate income tax return and did not claim a manufacturing credit. The taxpayer was subsequently audited, and the manufacturing credit (or lack thereof) was not adjusted or claimed. The taxpayer paid the resulting audit assessment without protest. Subsequently, and within the normal four-year statute of limitations, the taxpayer filed an amended return claiming the manufacturing credit, which entitled it to a refund if approved. The Department denied the refund request.

Under Wisconsin law, a taxpayer may file a claim for refund of any tax assessed or to recover any part of a tax credit denied after a field audit if the assessment was not protested. The taxpayer did not protest the assessment. However, the law also provides that no claim for refund may be made with respect to items that were not adjusted in the notice of assessment or refund. The taxpayer argued that it did not claim the credit on the audited returns, meaning it could not have been adjusted. Therefore, the taxpayer argued, it should still be able to file a refund claim. The Commission disagreed with this position and held that the taxpayer's refund claim was correctly denied because the manufacturing credit was not adjusted on audit. The Commission also rejected the taxpayer's argument that the Department's correspondence and publications indicated the taxpayer had a right to file an amended return. The taxpayer, by paying the audit assessment in full and not protesting, was not entitled to file a claim for refund related to an issue that was not the subject of an adjustment in the audit, despite the refund claim being within the normal statute of limitations. Please contact [Brad Wilhelmson](#) with questions on *General Mills, Inc. v. Wisconsin Department of Revenue*.



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