



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Assembly Bill 47

**Assembly
Amendment 1**

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Contact: Anna Henning, Staff Attorney (266-0292)

2013 Assembly Bill 47 relates to entrepreneurial tax credit access grants.

2013 ASSEMBLY BILL 47

Assembly Bill 47 authorizes the Wisconsin Economic Development Corporation (WEDC) to award grants in lieu of tax credits that businesses would otherwise be eligible to claim. The grants under the bill must be used to secure financing for business activities that would qualify for one or more of several specified tax credit programs. An applicant for a grant under the bill must enter into an agreement with WEDC and also must have submitted business and financing plans to a commercial lending institution. In addition, the expenditures must be intended for a business that is located in Wisconsin and has fewer than 25 employees in Wisconsin or less than \$5 million in gross receipts for the taxable year in which the person applies for the grant.

The amount of any grant awarded under the bill is an amount equal to 95% of the tax credit that the recipient could otherwise receive, except that the amount of the grant may not exceed an amount equal to 20% of the cost of the project. The total amount of grants that may be awarded in a given fiscal year is \$8 million, and no grants may be awarded after January 1, 2015.

ASSEMBLY AMENDMENT 1

The amendment removes references to certain tax credit programs that were phased out under the 2013-15 Biennial Budget Act. Namely, under the amendment, eligibility for the following tax credit programs would not be a basis for eligibility for a grant under the bill: the dairy and livestock farm investment credit; the dairy manufacturing facility investment credit;

the meat processing facility investment credit; the woody biomass harvesting and processing credit; and the food processing plant and food warehouse investment credit.

BILL HISTORY

Representative Clark offered Assembly Amendment 1 on February 14, 2014. On February 18, 2014, the Assembly Committee on Jobs, Economy, and Mining voted to recommend the adoption of Assembly Amendment 1 on a vote of Ayes, 16; Noes, 0. On the same day, the committee voted to recommend passage of the bill, as amended, on a vote of Ayes, 13; Noes, 3.

AH:jal