

1999 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB133)

Received: 10/01/1999

Received By: jkreye

Wanted: Soon

Identical to LRB: 99b1724/3

For: Legislative Fiscal Bureau

By/Representing: Shanovich

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Alt. Drafters: kahlepj

Subject: Tax Credits - miscellaneous
Tax - corp. inc. and fran.

Extra Copies:

Pre Topic:

LFB:.....Shanovich -

Topic:

Kenosha as a development opportunity zone

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 10/01/1999	gilfokm 10/01/1999		_____			
/1			mclark 10/01/1999	_____	lrb_docadmin 10/01/1999		

FE Sent For:

<END>

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/?	jkreye		mrc 10/1	mrc/cjs 10/1			

FE Sent For:

<END>

Today

Vk & PJK

cmh

LFB:.....Shanovich - Kenosha as a development opportunity zone

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

in 10-1-99



1

At the locations indicated, amend the substitute amendment as follows:

2

(END)

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1891/1
LRBb1/1/1/1
PJK&JK: ~~opinion~~ ✓
↑
stay 5

**ASSEMBLY AMENDMENT,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 133**

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 847, line 6: after that line insert:

3 “SECTION 1707g. 71.07 (2di) (a) (intro.) of the statutes is amended to read:

4 71.07 (2di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),

5 for any taxable year for which the person is ~~certified under s. 560.765 (3)~~ for entitled

6 under s. 560.795 (3) to claim tax benefits, any person may claim as a credit against

7 taxes otherwise due under this chapter 2.5% of the purchase price of depreciable,

8 tangible personal property, or 1.75% of the purchase price of depreciable, tangible

9 personal property that is expensed under section 179 of the internal revenue code for

10 purposes of the taxes under this chapter, except that:

11 **SECTION 1707h.** 71.07 (2di) (a) 1. of the statutes is amended to read:

1 71.07 (2di) (a) 1. The investment must be in property that is purchased after
2 the person is ~~certified under s. 560.765 (3) for~~ entitled under s. 560.795 (3) to claim
3 tax benefits and that is used for at least 50% of its use in the conduct of the person's
4 business operations ~~for which the claimant is certified under s. 560.765 (3) at a~~
5 location in a development zone under subch. VI of ch. 560 or, if the property is mobile,
6 the base of operations of the property for at least 50% of its use must be a location
7 in a development zone.

8 **SECTION 1707j.** 71.07 (2di) (d) 1. of the statutes is amended to read:

9 71.07 (2di) (d) 1. A copy of the ~~claimant's certification for a verification from~~
10 the department of commerce that the claimant may claim tax benefits under s.
11 ~~560.765 (3) 560.795 (3).~~

12 **SECTION 1707k.** 71.07 (2di) (f) of the statutes is amended to read:

13 71.07 (2di) (f) ~~If the certification of a person for~~ who is entitled under s. 560.795
14 (3) to claim tax benefits ~~under s. 560.765 (3) is revoked~~ becomes ineligible for such
15 tax benefits, that person may claim no credits under this subsection for the taxable
16 year that includes the day on which the ~~certification is revoked~~ person becomes
17 ineligible for tax benefits or succeeding taxable years and that person may carry over
18 no unused credits from previous years to offset tax under this chapter for the taxable
19 year that includes the day on which ~~certification is revoked~~ the person becomes
20 ineligible for tax benefits or succeeding taxable years.

21 **SECTION 1707L.** 71.07 (2di) (g) of the statutes is amended to read:

22 71.07 (2di) (g) If a person who is ~~certified under s. 560.765 (3) for~~ entitled under
23 s. 560.795 (3) to claim tax benefits ceases business operations in the development
24 zone during any of the taxable years that that zone exists, that person may not carry
25 over to any taxable year following the year during which operations cease any

1 unused credits from the taxable year during which operations cease or from previous
2 taxable years.

3 **SECTION 1707m.** 71.07 (2di) (i) of the statutes is amended to read:

4 71.07 (2di) (i) No credit may be claimed under this subsection for taxable years
5 that begin on ~~January 1, 1998, or thereafter~~ after December 31, 1997, and end before
6 January 1, 2000. Credits under this subsection for taxable years that begin before
7 January 1, 1998, may be carried forward to taxable years that begin on January 1,
8 1998, or thereafter.”.

9 **2.** Page 848, line 2: delete the material beginning with “certified” and ending
10 with “(3)” on line 3 and substitute “entitled under s. 560.795 (3) to claim tax benefits
11 or certified under s. 560.765 (3) or 560.797 (4)”.

12 **3.** Page 848, line 11: after that line insert:

13 **SECTION 1709b.** 71.07 (2dx) (c) of the statutes is amended to read:

14 71.07 (2dx) (c) *Credit precluded.* If the certification of a person for tax benefits
15 under s. 560.765 (3) or 560.797 (4) is revoked, or if the person becomes ineligible for
16 tax benefits under s. 560.795 (3), that person may not claim credits under this
17 subsection for the taxable year that includes the day on which the certification is
18 revoked; the taxable year that includes the day on which the person becomes
19 ineligible for tax benefits; or succeeding taxable years and that person may not carry
20 over unused credits from previous years to offset tax under this chapter for the
21 taxable year that includes the day on which certification is revoked; the taxable year
22 that includes the day on which the person becomes ineligible for tax benefits; or
23 succeeding taxable years.

24 **SECTION 1709bb.** 71.07 (2dx) (d) of the statutes is amended to read:

1 71.07 (2dx) (d) *Carry-over precluded.* If a person who is entitled under s.
2 560.795 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4) for tax
3 benefits ceases business operations in the development zone during any of the
4 taxable years that that zone exists, that person may not carry over to any taxable
5 year following the year during which operations cease any unused credits from the
6 taxable year during which operations cease or from previous taxable years.”.

7 **4.** Page 911, line 6: after that line insert:

8 “**SECTION 1741n.** 71.28 (1di) (a) (intro.) of the statutes is amended to read:

9 71.28 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
10 for any taxable year for which the person is ~~certified under s. 560.765 (3)~~ for entitled
11 under s. 560.795 (3) to claim tax benefits, any person may claim as a credit against
12 taxes otherwise due under this chapter 2.5% of the purchase price of depreciable,
13 tangible personal property, or 1.75% of the purchase price of depreciable, tangible
14 personal property that is expensed under section 179 of the internal revenue code for
15 purposes of the taxes under this chapter, except that:

16 **SECTION 1741o.** 71.28 (1di) (a) 1. of the statutes is amended to read:

17 71.28 (1di) (a) 1. The investment must be in property that is purchased after
18 the person is ~~certified under s. 560.765 (3)~~ for entitled under s. 560.795 (3) to claim
19 tax benefits and that is used for at least 50% of its use in the conduct of the person's
20 business operations ~~for which the claimant is certified under s. 560.765 (3)~~ at a
21 location in a development zone under subch. VI of ch. 560 or, if the property is mobile,
22 the base of operations of the property for at least 50% of its use must be a location
23 in a development zone.

24 **SECTION 1741p.** 71.28 (1di) (d) 1. of the statutes is amended to read:

1 71.28 (1di) (d) 1. A copy of ~~the claimant's certification for a verification from~~
2 ~~the department of commerce that the claimant may claim~~ tax benefits under s.
3 560.765 (3) 560.795 (3).

4 **SECTION 1741pm.** 71.28 (1di) (f) of the statutes is amended to read:

5 71.28 (1di) (f) ~~If the certification of a person for who is entitled under s. 560.795~~
6 ~~(3) to claim~~ tax benefits ~~under s. 560.765 (3) is revoked~~ becomes ineligible for such
7 tax benefits, that person may claim no credits under this subsection for the taxable
8 year that includes the day on which ~~the certification is revoked~~ person becomes
9 ineligible for tax benefits or succeeding taxable years and that person may carry over
10 no unused credits from previous years to offset tax under this chapter for the taxable
11 year that includes the day on which ~~certification is revoked~~ the person becomes
12 ineligible for tax benefits or succeeding taxable years.

13 **SECTION 1741pn.** 71.28 (1di) (g) of the statutes is amended to read:

14 71.28 (1di) (g) ~~If a person who is certified under s. 560.765 (3) for entitled under~~
15 ~~s. 560.795 (3) to claim~~ tax benefits ceases business operations in the development
16 zone during any of the taxable years that that zone exists, that person may not carry
17 over to any taxable year following the year during which operations cease any
18 unused credits from the taxable year during which operations cease or from previous
19 taxable years.

20 **SECTION 1741pp.** 71.28 (1di) (j) of the statutes is amended to read:

21 71.28 (1di) (j) No credit may be claimed under this subsection for taxable years
22 that begin ~~on January 1, 1998, or thereafter~~ after December 31, 1997, and end before
23 January 1, 2000. Credits under this subsection for taxable years that begin before
24 January 1, 1998, may be carried forward to taxable years that begin on January 1,
25 1998, or thereafter.”.

1 **5.** Page 912, line 2: delete the material beginning with “certified” and ending
2 with “(3)” on line 3 and substitute “entitled under s. 560.795 (3) to claim tax benefits
3 or certified under s. 560.765 (3) or 560.797 (4)”.

4 **6.** Page 912, line 12: after that line insert:

5 “**SECTION 1743b.** 71.28 (1dx) (c) of the statutes is amended to read:

6 71.28 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
7 under s. 560.765 (3) or 560.797 (4) is revoked, or if the person becomes ineligible for
8 tax benefits under s. 560.795 (3), that person may not claim credits under this
9 subsection for the taxable year that includes the day on which the certification is
10 revoked; the taxable year that includes the day on which the person becomes
11 ineligible for tax benefits; or succeeding taxable years and that person may not carry
12 over unused credits from previous years to offset tax under this chapter for the
13 taxable year that includes the day on which certification is revoked; the taxable year
14 that includes the day on which the person becomes ineligible for tax benefits; or
15 succeeding taxable years.

16 **SECTION 1743bb.** 71.28 (1dx) (d) of the statutes is amended to read:

17 71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
18 560.795 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4) for tax
19 benefits ceases business operations in the development zone during any of the
20 taxable years that that zone exists, that person may not carry over to any taxable
21 year following the year during which operations cease any unused credits from the
22 taxable year during which operations cease or from previous taxable years.”.

23 **7.** Page 941, line 21: after that line insert:

24 “**SECTION 1754g.** 71.47 (1di) (a) (intro.) of the statutes is amended to read:

1 71.47 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
2 for any taxable year for which the person is ~~certified under s. 560.765 (3) for~~ entitled
3 under s. 560.795 (3) to claim tax benefits, any person may claim as a credit against
4 taxes otherwise due under this chapter 2.5% of the purchase price of depreciable,
5 tangible personal property, or 1.75% of the purchase price of depreciable, tangible
6 personal property that is expensed under section 179 of the internal revenue code for
7 purposes of the taxes under this chapter, except that:

8 **SECTION 1754h.** 71.47 (1di) (a) 1. of the statutes is amended to read:

9 71.47 (1di) (a) 1. The investment must be in property that is purchased after
10 the person is ~~certified under s. 560.765 (3) for~~ entitled under s. 560.795 (3) to claim
11 tax benefits and that is used for at least 50% of its use in the conduct of the person's
12 business operations ~~for which the claimant is certified under s. 560.765 (3)~~ at a
13 location in a development zone under subch. VI of ch. 560 or, if the property is mobile,
14 the base of operations of the property for at least 50% of its use must be a location
15 in a development zone.

16 **SECTION 1754j.** 71.47 (1di) (d) 1. of the statutes is amended to read:

17 71.47 (1di) (d) 1. A copy of ~~the claimant's certification for~~ a verification from
18 the department of commerce that the claimant may claim tax benefits under s.
19 ~~560.765 (3)~~ 560.795 (3).

20 **SECTION 1754k.** 71.47 (1di) (f) of the statutes is amended to read:

21 71.47 (1di) (f) If ~~the certification of a person for~~ who is entitled under s. 560.795
22 (3) to claim tax benefits ~~under s. 560.765 (3) is revoked~~ becomes ineligible for such
23 tax benefits, that person may claim no credits under this subsection for the taxable
24 year that includes the day on which the ~~certification is revoked~~ person becomes
25 ineligible for tax benefits or succeeding taxable years and that person may carry over

1 no unused credits from previous years to offset tax under this chapter for the taxable
2 year that includes the day on which ~~certification is revoked~~ the person becomes
3 ineligible for tax benefits or succeeding taxable years.

4 **SECTION 1754L.** 71.47 (1di) (g) of the statutes is amended to read:

5 71.47 (1di) (g) If a person who is ~~certified under s. 560.765 (3)~~ entitled under
6 s. 560.795 (3) to claim tax benefits ceases business operations in the development
7 zone during any of the taxable years that that zone exists, that person may not carry
8 over to any taxable year following the year during which operations cease any
9 unused credits from the taxable year during which operations cease or from previous
10 taxable years.

11 **SECTION 1754m.** 71.47 (1di) (i) of the statutes is amended to read:

12 71.47 (1di) (i) No credit may be claimed under this subsection for taxable years
13 that begin ~~on January 1, 1998, or thereafter~~ after December 31, 1997, and end before
14 January 1, 2000. Credits under this subsection for taxable years that begin before
15 January 1, 1998, may be carried forward to taxable years that begin on January 1,
16 1998, or thereafter.”.

17 **8.** Page 942, line 16: delete the material beginning with “certified” and ending
18 with “(3)” on line 17 and substitute “entitled under s. 560.795 (3) to claim tax benefits
19 or certified under s. 560.765 (3) or 560.797 (4)”.

20 **9.** Page 943, line 2: after that line insert:

21 “**SECTION 1756d.** 71.47 (1dx) (c) of the statutes is amended to read:

22 71.47 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
23 under s. 560.765 (3) or 560.797 (4) is revoked, or if the person becomes ineligible for
24 tax benefits under s. 560.795 (3), that person may not claim credits under this

1 subsection for the taxable year that includes the day on which the certification is
2 ~~revoked; the taxable year that includes the day on which the person becomes~~
3 ~~ineligible for tax benefits;~~ or succeeding taxable years and that person may not carry
4 over unused credits from previous years to offset tax under this chapter for the
5 taxable year that includes the day on which certification is revoked; ~~the taxable year~~
6 ~~that includes the day on which the person becomes ineligible for tax benefits;~~ or
7 succeeding taxable years.

8 **SECTION 1756e.** 71.47 (1dx) (d) of the statutes is amended to read:

9 71.47 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
10 560.795 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4) for tax
11 benefits ceases business operations in the development zone during any of the
12 taxable years that that zone exists, that person may not carry over to any taxable
13 year following the year during which operations cease any unused credits from the
14 taxable year during which operations cease or from previous taxable years.”.

15 **10.** Page 1397, line 3: after that line insert:

16 “**SECTION 2998g.** 560.70 (7) of the statutes is amended to read:

17 560.70 (7) “Tax benefits” means the development zones credit under ss. 71.07
18 (2dx), 71.28 (1dx) and 71.47 (1dx), except that in s. 560.795, “tax benefits” means the
19 development zones investment credit under ss. 71.07 (2di), 71.28 (1di) and 71.47 (1di)
20 and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx) and 71.47 (1dx).”.

21 **11.** Page 1397, line 11: after that line insert:

22 “**SECTION 3000n.** 560.785 (1) (intro.) of the statutes is amended to read:

23 560.785 (1) (intro.) For the development zone program under ss. 560.70 to
24 560.78, the development opportunity zone program under s. 560.795 and the

1 enterprise development zone program under s. 560.797, the department shall
2 promulgate rules that further define a person's eligibility for tax benefits. The rules
3 shall do at least all of the following:".

4 **12.** Page 1397, line 15: after "development zone" insert ". as a development
5 opportunity zone".

6 **13.** Page 1398, line 2: after "development zone" insert ". as a development
7 opportunity zone".

8 **14.** Page 1398, line 21: after that line insert:

9 "SECTION 3006h. 560.795 (1) (d) of the statutes is created to read:

10 560.795 (1) (d) An area in the city of Kenosha, the legal description of which
11 is provided to the department by the local governing body of the city of Kenosha.

12 SECTION 3006j. 560.795 (2) (a) of the statutes is amended to read:

13 560.795 (2) (a) Except as provided in par. (d), the designation of each area under
14 sub. (1) (a), (b) and (c) as a development opportunity zone shall be effective for 36
15 months, with the designation of the areas under sub. (1) (a) and (b) beginning on
16 April 23, 1994, and the designation of the area under sub. (1) (c) beginning on April
17 28, 1995. Except as provided in par. (d), the designation of the area under sub. (1)
18 (d) as a development opportunity zone shall be effective for 84 months, beginning on
19 January 1, 2000.

20 SECTION 3006L. 560.795 (2) (b) 4. of the statutes is created to read:

21 560.795 (2) (b) 4. The limit for tax benefits for the development opportunity
22 zone under sub. (1) (d) is \$7,000,000.

23 SECTION 3006n. 560.795 (3) (a) 3. of the statutes is created to read:



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1891/1
JK&PJK:cmh:mrc

LFB:.....Shanovich – Kenosha as a development opportunity zone
FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 133

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 847, line 6: after that line insert:

3 **“SECTION 1707g.** 71.07 (2di) (a) (intro.) of the statutes is amended to read:

4 71.07 (2di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
5 for any taxable year for which the person is ~~certified under s. 560.765 (3)~~ entitled
6 under s. 560.795 (3) to claim tax benefits, any person may claim as a credit against
7 taxes otherwise due under this chapter 2.5% of the purchase price of depreciable,
8 tangible personal property, or 1.75% of the purchase price of depreciable, tangible
9 personal property that is expensed under section 179 of the internal revenue code for
10 purposes of the taxes under this chapter, except that:

1 **SECTION 1707h.** 71.07 (2di) (a) 1. of the statutes is amended to read:

2 71.07 (2di) (a) 1. The investment must be in property that is purchased after
3 the person is ~~certified under s. 560.765 (3) for~~ entitled under s. 560.795 (3) to claim
4 tax benefits and that is used for at least 50% of its use in the conduct of the person's
5 business operations ~~for which the claimant is certified under s. 560.765 (3) at a~~
6 location in a development zone under subch. VI of ch. 560 or, if the property is mobile,
7 the base of operations of the property for at least 50% of its use must be a location
8 in a development zone.

9 **SECTION 1707j.** 71.07 (2di) (d) 1. of the statutes is amended to read:

10 71.07 (2di) (d) 1. A copy of ~~the claimant's certification for a verification from~~
11 the department of commerce that the claimant may claim tax benefits under s.
12 ~~560.765 (3)~~ 560.795 (3).

13 **SECTION 1707k.** 71.07 (2di) (f) of the statutes is amended to read:

14 71.07 (2di) (f) ~~If the certification of a person for who is entitled under s. 560.795~~
15 (3) to claim tax benefits under s. ~~560.765 (3) is revoked~~ becomes ineligible for such
16 tax benefits, that person may claim no credits under this subsection for the taxable
17 year that includes the day on which the ~~certification is revoked~~ person becomes
18 ineligible for tax benefits or succeeding taxable years and that person may carry over
19 no unused credits from previous years to offset tax under this chapter for the taxable
20 year that includes the day on which ~~certification is revoked~~ the person becomes
21 ineligible for tax benefits or succeeding taxable years.

22 **SECTION 1707L.** 71.07 (2di) (g) of the statutes is amended to read:

23 71.07 (2di) (g) If a person who is ~~certified under s. 560.765 (3) for~~ entitled under
24 s. 560.795 (3) to claim tax benefits ceases business operations in the development
25 zone during any of the taxable years that that zone exists, that person may not carry

1 over to any taxable year following the year during which operations cease any
2 unused credits from the taxable year during which operations cease or from previous
3 taxable years.

4 **SECTION 1707m.** 71.07 (2di) (i) of the statutes is amended to read:

5 71.07 (2di) (i) No credit may be claimed under this subsection for taxable years
6 that begin ~~on January 1, 1998, or thereafter~~ after December 31, 1997, and end before
7 January 1, 2000. Credits under this subsection for taxable years that begin before
8 January 1, 1998, may be carried forward to taxable years that begin on January 1,
9 1998, or thereafter.”

10 **2.** Page 848, line 2: delete the material beginning with “certified” and ending
11 with “(3)” on line 3 and substitute “entitled under s. 560.795 (3) to claim tax benefits
12 or certified under s. 560.765 (3) or 560.797 (4)”.

13 **3.** Page 848, line 11: after that line insert:

14 “**SECTION 1709b.** 71.07 (2dx) (c) of the statutes is amended to read:

15 71.07 (2dx) (c) *Credit precluded.* If the certification of a person for tax benefits
16 under s. 560.765 (3) or 560.797 (4) is revoked, or if the person becomes ineligible for
17 tax benefits under s. 560.795 (3), that person may not claim credits under this
18 subsection for the taxable year that includes the day on which the certification is
19 revoked; the taxable year that includes the day on which the person becomes
20 ineligible for tax benefits; or succeeding taxable years and that person may not carry
21 over unused credits from previous years to offset tax under this chapter for the
22 taxable year that includes the day on which certification is revoked; the taxable year
23 that includes the day on which the person becomes ineligible for tax benefits; or
24 succeeding taxable years.

1 **SECTION 1709bb.** 71.07 (2dx) (d) of the statutes is amended to read:

2 71.07 (2dx) (d) *Carry-over precluded.* If a person who is entitled under s.
3 560.795 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4) for tax
4 benefits ceases business operations in the development zone during any of the
5 taxable years that that zone exists, that person may not carry over to any taxable
6 year following the year during which operations cease any unused credits from the
7 taxable year during which operations cease or from previous taxable years.”.

8 **4.** Page 911, line 6: after that line insert:

9 **SECTION 1741n.** 71.28 (1di) (a) (intro.) of the statutes is amended to read:

10 71.28 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
11 for any taxable year for which the person is ~~certified under s. 560.765 (3) for~~ entitled
12 under s. 560.795 (3) to claim tax benefits, any person may claim as a credit against
13 taxes otherwise due under this chapter 2.5% of the purchase price of depreciable,
14 tangible personal property, or 1.75% of the purchase price of depreciable, tangible
15 personal property that is expensed under section 179 of the internal revenue code for
16 purposes of the taxes under this chapter, except that:

17 **SECTION 1741o.** 71.28 (1di) (a) 1. of the statutes is amended to read:

18 71.28 (1di) (a) 1. The investment must be in property that is purchased after
19 the person is ~~certified under s. 560.765 (3) for~~ entitled under s. 560.795 (3) to claim
20 tax benefits and that is used for at least 50% of its use in the conduct of the person's
21 business operations ~~for which the claimant is certified under s. 560.765 (3) at a~~
22 location in a development zone under subch. VI of ch. 560 or, if the property is mobile,
23 the base of operations of the property for at least 50% of its use must be a location
24 in a development zone.

1 **SECTION 1741p.** 71.28 (1di) (d) 1. of the statutes is amended to read:

2 71.28 (1di) (d) 1. A copy of ~~the claimant's certification for a verification from~~
3 ~~the department of commerce that the claimant may claim~~ tax benefits under s.
4 ~~560.765 (3)~~ 560.795 (3).

5 **SECTION 1741pm.** 71.28 (1di) (f) of the statutes is amended to read:

6 71.28 (1di) (f) ~~If the certification of a person for who is entitled under s. 560.795~~
7 ~~(3) to claim~~ tax benefits under s. ~~560.765 (3) is revoked~~ becomes ineligible for such
8 tax benefits, that person may claim no credits under this subsection for the taxable
9 year that includes the day on which the ~~certification is revoked~~ person becomes
10 ineligible for tax benefits or succeeding taxable years and that person may carry over
11 no unused credits from previous years to offset tax under this chapter for the taxable
12 year that includes the day on which ~~certification is revoked~~ the person becomes
13 ineligible for tax benefits or succeeding taxable years.

14 **SECTION 1741pn.** 71.28 (1di) (g) of the statutes is amended to read:

15 71.28 (1di) (g) If a person who is certified under s. ~~560.765 (3)~~ for entitled under
16 s. 560.795 (3) to claim tax benefits ceases business operations in the development
17 zone during any of the taxable years that that zone exists, that person may not carry
18 over to any taxable year following the year during which operations cease any
19 unused credits from the taxable year during which operations cease or from previous
20 taxable years.

21 **SECTION 1741pp.** 71.28 (1di) (j) of the statutes is amended to read:

22 71.28 (1di) (j) No credit may be claimed under this subsection for taxable years
23 that begin ~~on January 1, 1998, or thereafter~~ after December 31, 1997, and end before
24 January 1, 2000. Credits under this subsection for taxable years that begin before

1 January 1, 1998, may be carried forward to taxable years that begin on January 1,
2 1998, or thereafter.”.

3 **5.** Page 912, line 2: delete the material beginning with “certified” and ending
4 with “(3)” on line 3 and substitute “entitled under s. 560.795 (3) to claim tax benefits
5 or certified under s. 560.765 (3) or 560.797 (4)”.

6 **6.** Page 912, line 12: after that line insert:

7 “**SECTION 1743b.** 71.28 (1dx) (c) of the statutes is amended to read:

8 71.28 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
9 under s. 560.765 (3) or 560.797 (4) is revoked, or if the person becomes ineligible for
10 tax benefits under s. 560.795 (3), that person may not claim credits under this
11 subsection for the taxable year that includes the day on which the certification is
12 revoked; the taxable year that includes the day on which the person becomes
13 ineligible for tax benefits; or succeeding taxable years and that person may not carry
14 over unused credits from previous years to offset tax under this chapter for the
15 taxable year that includes the day on which certification is revoked; the taxable year
16 that includes the day on which the person becomes ineligible for tax benefits; or
17 succeeding taxable years.

18 **SECTION 1743bb.** 71.28 (1dx) (d) of the statutes is amended to read:

19 71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
20 560.795 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4) for tax
21 benefits ceases business operations in the development zone during any of the
22 taxable years that that zone exists, that person may not carry over to any taxable
23 year following the year during which operations cease any unused credits from the
24 taxable year during which operations cease or from previous taxable years.”.

1 **7.** Page 941, line 21: after that line insert:

2 “**SECTION 1754g.** 71.47 (1di) (a) (intro.) of the statutes is amended to read:

3 71.47 (**1di**) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
4 for any taxable year for which the person is ~~certified under s. 560.765 (3)~~ for entitled
5 under s. 560.795 (3) to claim tax benefits, any person may claim as a credit against
6 taxes otherwise due under this chapter 2.5% of the purchase price of depreciable,
7 tangible personal property, or 1.75% of the purchase price of depreciable, tangible
8 personal property that is expensed under section 179 of the internal revenue code for
9 purposes of the taxes under this chapter, except that:

10 **SECTION 1754h.** 71.47 (1di) (a) 1. of the statutes is amended to read:

11 71.47 (**1di**) (a) 1. The investment must be in property that is purchased after
12 the person is ~~certified under s. 560.765 (3)~~ for entitled under s. 560.795 (3) to claim
13 tax benefits and that is used for at least 50% of its use in the conduct of the person's
14 business operations ~~for which the claimant is certified under s. 560.765 (3)~~ at a
15 location in a development zone under subch. VI of ch. 560 or, if the property is mobile,
16 the base of operations of the property for at least 50% of its use must be a location
17 in a development zone.

18 **SECTION 1754j.** 71.47 (1di) (d) 1. of the statutes is amended to read:

19 71.47 (**1di**) (d) 1. A copy of the ~~claimant's certification for a verification from~~
20 the department of commerce that the claimant may claim tax benefits under s.
21 ~~560.765 (3)~~ 560.795 (3).

22 **SECTION 1754k.** 71.47 (1di) (f) of the statutes is amended to read:

23 71.47 (**1di**) (f) If the ~~certification of a person for who is entitled under s. 560.795~~
24 (3) to claim tax benefits ~~under s. 560.765 (3) is revoked~~ becomes ineligible for such

1 tax benefits, that person may claim no credits under this subsection for the taxable
2 year that includes the day on which the ~~certification is revoked~~ person becomes
3 ineligible for tax benefits or succeeding taxable years and that person may carry over
4 no unused credits from previous years to offset tax under this chapter for the taxable
5 year that includes the day on which ~~certification is revoked~~ the person becomes
6 ineligible for tax benefits or succeeding taxable years.

7 **SECTION 1754L.** 71.47 (1di) (g) of the statutes is amended to read:

8 71.47 (1di) (g) If a person who is ~~certified under s. 560.765 (3)~~ entitled under
9 s. 560.795 (3) to claim tax benefits ceases business operations in the development
10 zone during any of the taxable years that that zone exists, that person may not carry
11 over to any taxable year following the year during which operations cease any
12 unused credits from the taxable year during which operations cease or from previous
13 taxable years.

14 **SECTION 1754m.** 71.47 (1di) (i) of the statutes is amended to read:

15 71.47 (1di) (i) No credit may be claimed under this subsection for taxable years
16 that begin ~~on January 1, 1998, or thereafter~~ after December 31, 1997, and end before
17 January 1, 2000. Credits under this subsection for taxable years that begin before
18 January 1, 1998, may be carried forward to taxable years that begin on January 1,
19 1998, or thereafter.”

20 **8.** Page 942, line 16: delete the material beginning with “certified” and ending
21 with “(3)” on line 17 and substitute “entitled under s. 560.795 (3) to claim tax benefits
22 or certified under s. 560.765 (3) or 560.797 (4)”.

23 **9.** Page 943, line 2: after that line insert:

24 **“SECTION 1756d.** 71.47 (1dx) (c) of the statutes is amended to read:

1 **71.47 (1dx)** (c) *Credit precluded.* If the certification of a person for tax benefits
2 under s. 560.765 (3) or 560.797 (4) is revoked, or if the person becomes ineligible for
3 tax benefits under s. 560.795 (3), that person may not claim credits under this
4 subsection for the taxable year that includes the day on which the certification is
5 revoked; the taxable year that includes the day on which the person becomes
6 ineligible for tax benefits; or succeeding taxable years and that person may not carry
7 over unused credits from previous years to offset tax under this chapter for the
8 taxable year that includes the day on which certification is revoked; the taxable year
9 that includes the day on which the person becomes ineligible for tax benefits; or
10 succeeding taxable years.

11 **SECTION 1756e.** 71.47 (1dx) (d) of the statutes is amended to read:

12 **71.47 (1dx)** (d) *Carry-over precluded.* If a person who is entitled under s.
13 560.795 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4) for tax
14 benefits ceases business operations in the development zone during any of the
15 taxable years that that zone exists, that person may not carry over to any taxable
16 year following the year during which operations cease any unused credits from the
17 taxable year during which operations cease or from previous taxable years.”.

18 **10.** Page 1397, line 3: after that line insert:

19 **“SECTION 2998g.** 560.70 (7) of the statutes is amended to read:

20 560.70 (7) “Tax benefits” means the development zones credit under ss. 71.07
21 (2dx), 71.28 (1dx) and 71.47 (1dx), except that in s. 560.795, “tax benefits” means the
22 development zones investment credit under ss. 71.07 (2di), 71.28 (1di) and 71.47 (1di)
23 and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx) and 71.47 (1dx).”.

24 **11.** Page 1397, line 11: after that line insert:

1 **SECTION 3000n.** 560.785 (1) (intro.) of the statutes is amended to read:

2 560.785 (1) (intro.) For the development zone program under ss. 560.70 to
3 560.78, the development opportunity zone program under s. 560.795 and the
4 enterprise development zone program under s. 560.797, the department shall
5 promulgate rules that further define a person's eligibility for tax benefits. The rules
6 shall do at least all of the following:".

7 **12.** Page 1397, line 15: after "development zone" insert ". as a development
8 opportunity zone".

9 **13.** Page 1398, line 2: after "development zone" insert ". as a development
10 opportunity zone".

11 **14.** Page 1398, line 21: after that line insert:

12 **SECTION 3006h.** 560.795 (1) (d) of the statutes is created to read:

13 560.795 (1) (d) An area in the city of Kenosha, the legal description of which
14 is provided to the department by the local governing body of the city of Kenosha.

15 **SECTION 3006j.** 560.795 (2) (a) of the statutes is amended to read:

16 560.795 (2) (a) Except as provided in par. (d), the designation of each area under
17 sub. (1) (a), (b) and (c) as a development opportunity zone shall be effective for 36
18 months, with the designation of the areas under sub. (1) (a) and (b) beginning on
19 April 23, 1994, and the designation of the area under sub. (1) (c) beginning on April
20 28, 1995. Except as provided in par. (d), the designation of the area under sub. (1)
21 (d) as a development opportunity zone shall be effective for 84 months, beginning on
22 January 1, 2000.

23 **SECTION 3006L.** 560.795 (2) (b) 4. of the statutes is created to read:

1 560.795 (2) (b) 4. The limit for tax benefits for the development opportunity
2 zone under sub. (1) (d) is \$7,000,000.

3 **SECTION 3006n.** 560.795 (3) (a) 3. of the statutes is created to read:

4 560.795 (3) (a) 3. Any corporation that is conducting or that intends to conduct
5 economic activity in a development opportunity zone under sub. (1) (d) and that, in
6 conjunction with the local governing body of the city in which the development
7 opportunity zone is located, submits a project plan as described in par. (b) to the
8 department no later than July 1, 2000, shall be entitled to claim tax benefits while
9 the area is designated as a development opportunity zone.

10 **SECTION 3006p.** 560.795 (3) (d) of the statutes is amended to read:

11 560.795 (3) (d) The department annually shall verify information submitted
12 to the department under s. 71.07 (2di) or (2dx), 71.28 (1di) or (1dx) or 71.47 (1di) or
13 (1dx).”.

14 **15.** Page 1596, line 3: after that line insert:

15 “(1g) DEVELOPMENT ZONES INVESTMENT CREDIT IN DEVELOPMENT OPPORTUNITY
16 ZONES.

17 (a) The treatment of sections 71.07 (2di) (a) (intro.) and 1., (d) 1., (f), (g) and (i),
18 71.28 (1di) (a) (intro.) and 1., (d) 1., (f), (g) and (j), 71.47 (1di) (a) (intro.) and 1., (d)
19 1., (f), (g) and (i), 560.70 (7) and 560.795 (3) (d) of the statutes first applies to taxable
20 years beginning on January 1, 2000.

21 (b) The treatment of sections 71.07 (2dx) (b) (intro.), (c) and (d), 71.28 (1dx) (b)
22 (intro.), (c) and (d) and 71.47 (1dx) (b) (intro.), (c) and (d) of the statutes first applies
23 to taxable years beginning on January 1, 1999.”.

24

(END)