

2009 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB75)

Received: **06/10/2009**

Received By: **tkuczens**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Shanovich (RR)**

This file may be shown to any legislator: **NO**

Drafter: **tkuczens**

May Contact:

Addl. Drafters: **jkreye**

Subject: **Econ. Development - bus. dev.**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to: **tracy.kuczenski@legis.wisconsin.gov**
joseph.kreye@legis.wisconsin.gov

Pre Topic:

LFB:.....Shanovich (RR) -

Topic:

Enterprise Zones capital investment tax credit

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>
/?	tkuczens 06/11/2009			_____			
/P1	jkreye 06/11/2009	csicilia 06/11/2009	phenry 06/11/2009	_____	sbasford 06/11/2009		

FE Sent For:

<END>

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Assembly Amendment (AA-ASA1-AB75)

Received: **06/10/2009**

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/? tkuczens

pl js 6/11
09
ph
6/11
ph / [signature]

FE Sent For:

<END>

Sundberg, Christopher

From: Shanovich, Ron
Sent: Wednesday, June 10, 2009 4:43 PM
To: Kreye, Joseph; Sundberg, Christopher
Subject: New EZ Zone tax credit

Attachments: 20090610171331241

Joe, ^{Tracy}Chris, here's a new ADC amendment for a new EZ tax credit. I think this creates a new, refundable 10% investment tax credit under the program, based on capital investment in the zone. The credit would be up to 10% of eligible capital expenditures, with Commerce determining the percentage up to 10%. The credits would be claimed equally each year over the remaining life of the EZ. No definition of capital expenditures is provided, so I guess Commerce will require rule-making authority (nonstatutory) to administer the credit. Make the effective date the same as the changes in Act 11 (1/1/09). I don't have any other information. If you think something else is needed for this to work, just add it.



2009061017133124
1.pdf (54 KB)

Thanks Ron

Additional tax benefits for
(5m) Capital Investment
If too d

Kreye, Joseph

From: Kuczenski, Tracy
Sent: Thursday, June 11, 2009 8:39 AM
To: Kreye, Joseph
Subject: RE: See Act 11 (which affected s. 560.799)

Hi Joe --

Consistent with your treatment of the EZ tax credits in the past, I left it up to you to impose the 10 percent limit on the amount of tax benefits a business may receive under the new subsection (560.799 (5m)).

Let me know if you have any questions or problems with the substance of the draft...

Tracy K. Kuczenski
Legislative Attorney
Wisconsin Legislative Reference Bureau
(608) 266-9867
Tracy.Kuczenski@legis.wisconsin.gov

From: Kreye, Joseph
Sent: Wednesday, June 10, 2009 8:51 PM
To: Kuczenski, Tracy
Subject: RE: See Act 11 (which affected s. 560.799)

I must have been thinking of Act 11 earlier because it also affects the credit language in ch. 71. I'll create yet another subdivision under 71.07 (3w) (b), 71.28 (3w) (b), and 71.47 (3w) (b) and then we'll be good to go...maybe.

From: Kuczenski, Tracy
Sent: Wed 6/10/2009 5:34 PM
To: Kreye, Joseph
Subject: See Act 11 (which affected s. 560.799)

Tracy K. Kuczenski
Legislative Attorney
Wisconsin Legislative Reference Bureau
(608) 266-9867
Tracy.Kuczenski@legis.wisconsin.gov

Summary

Amend the Enterprise Zone program (chp. 560.799) that allows Commerce to offer tax credits up to 10% of capital invested for projects that make capital investments. The provision would allow Commerce to consider payroll, training costs, and capital investment in determining enterprise zone tax credits. This change is necessary to make Wisconsin competitive for desirable projects that require large capital investments.

Key Provisions of EZ 10 Modification

- Make the Enterprise Zone tax credits based on capital investment (hereafter called EZ-C) in addition to other payroll and training credits earned through the Enterprise Zone program
- Allow the department (Commerce) to regulate the fiscal impact by using permissive language (e.g., "the department may authorize")
- Further, allow the department to determine an amount equal to "up to ten percent" of capital expenditures
- Allow EZ-C tax credits earned to be claimed equally in each year over the remaining life of the zone (as determined by the department). So the fiscal impact is spread over the life of the program.
- Keep the tax credits refundable (similar to the other Enterprise Zone tax credits)

Suggested Legislative Language

If the department (Commerce) determines the business is making a significant capital expenditure, the department may award tax credits in an amount up to ten percent of the businesses capital expenditures. These credits shall be allocated over the life of a zone in a manner determined by the department (Commerce).



gjs

LFB:.....Shanovich (RR) - Enterprise Zones capital investment tax credit

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2009 ASSEMBLY BILL 75

*SAV
new CBS ✓
x in Act 11 ✓
x in statute ✓
x in AB-75 ✓*

in 6-11-09

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

2 **1.** Page 783, line 5: after that line insert:

3 **SECTION 1571d.** 71.07 (3w) (bm) 1. of the statutes, as affected by 2009
4 Wisconsin Act 11, is amended to read:

5 71.07 (3w) (bm) 1. In addition to the credits under par. (b) and subd. subds. 2.
6 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
7 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
8 amount equal to a percentage, as determined by the department of commerce, not
9 to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade
10 or improve the job-related skills of any of the claimant's full-time employees, to train

1 any of the claimant's full-time employees on the use of job-related new technologies,
2 or to provide job-related training to any full-time employee whose employment with
3 the claimant represents the employee's first full-time job. This subdivision does not
4 apply to employees who do not work in an enterprise zone.

History: 2009 a. 11.

5 **SECTION 1571e.** 71.07 (3w) (bm) 2. of the statutes, as created by 2009 Wisconsin
6 Act 11, is amended to read:

7 71.07 (3w) (bm) 2. In addition to the credits under par. (b) and ~~subd.~~ subds. 1.
8 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
9 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
10 amount equal to the percentage, as determined by the department of commerce
11 under s. 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the
12 taxable year to all of the claimant's full-time employees whose annual wages are
13 greater than \$20,000 in a tier I county or municipality, not including the wages paid
14 to the employees determined under par. (b) 1., or greater than \$30,000 in a tier II
15 county or municipality, not including the wages paid to the employees determined
16 under par. (b) 1., and who the claimant employed in the enterprise zone in the taxable
17 year, if the total number of such employees is equal to or greater than the total
18 number of such employees in the base year. A claimant may claim a credit under this
19 subdivision for no more than 5 consecutive taxable years.

History: 2009 a. 11.

20 **SECTION 1571f.** 71.07 (3w) (bm) 3. of the statutes is created to read:

21 71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1. and
22 2., and subject to the limitations provided in this subsection and s. 560.799, for
23 taxable years beginning after December 31, 2008, a claimant may claim as a credit

INSERT 3-3

1 against the tax imposed under s. 71.02 or 71.08 up to 10 percent of the claimant's
2 significant capital expenditures, as determined by the department of commerce
3 under s. 560.799 (5m).⁵

4 **2.** Page 888, line 2: after that line insert:

5 **"SECTION 165⁵am.** 71.28 (3w) (bm) 1. of the statutes, as affected by 2009
6 Wisconsin Act 11, is amended to read:

7 71.28 (**3w**) (bm) 1. In addition to the credits under par. (b) and ~~subd.~~ subds. 2.
8 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
9 claimant may claim as a credit against the tax imposed under s. 71.23 an amount
10 equal to a percentage, as determined by the department of commerce, not to exceed
11 100 percent, of the amount the claimant paid in the taxable year to upgrade or
12 improve the job-related skills of any of the claimant's full-time employees, to train
13 any of the claimant's full-time employees on the use of job-related new technologies,
14 or to provide job-related training to any full-time employee whose employment with
15 the claimant represents the employee's first full-time job. This subdivision does not
16 apply to employees who do not work in an enterprise zone.

History: 2009 a. 11.

17 **SECTION 165⁵an.** 71.28 (3w) (bm) 2. of the statutes, as created by 2009 Wisconsin
18 Act 11, is amended to read:

19 71.28 (**3w**) (bm) 2. In addition to the credits under par. (b) and ~~subd.~~ subds. 1.
20 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
21 claimant may claim as a credit against the tax imposed under s. 71.23 an amount
22 equal to the percentage, as determined by the department of commerce under s.
23 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the taxable
24 year to all of the claimant's full-time employees whose annual wages are greater

1 than \$20,000 in a tier I county or municipality, not including the wages paid to the
 2 employees determined under par. (b) 1., or greater than \$30,000 in a tier II county
 3 or municipality, not including the wages paid to the employees determined under
 4 par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year,
 5 if the total number of such employees is equal to or greater than the total number
 6 of such employees in the base year. A claimant may claim a credit under this
 7 subdivision for no more than 5 consecutive taxable years.

History: 2009 a. 11.

8 **SECTION 1654p.** 71.28 (3w) (bm) 3. of the statutes is created to read:

9 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1. and
 10 2., and subject to the limitations provided in this subsection and s. 560.799, for
 11 taxable years beginning after December 31, 2008, a claimant may claim as a credit
 12 against the tax imposed under s. 71.23 up to 10 percent of the claimant's significant
 13 capital expenditures, as determined by the department of commerce under s.
 14 560.799 (5m).

15 **3.** Page 941, line 21: after that line insert:

16 **"SECTION 1720m.** 71.47 (3w) (bm) 1. of the statutes, as affected by 2009
 17 Wisconsin Act 11, is amended to read:

18 71.47 (3w) (bm) 1. In addition to the credits under par. (b) and ~~subd.~~ subds. 2.
 19 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
 20 claimant may claim as a credit against the tax imposed under s. 71.43 an amount
 21 equal to a percentage, as determined by the department of commerce, not to exceed
 22 100 percent, of the amount the claimant paid in the taxable year to upgrade or
 23 improve the job-related skills of any of the claimant's full-time employees, to train
 24 any of the claimant's full-time employees on the use of job-related new technologies,

INSERT 4-14

1 or to provide job-related training to any full-time employee whose employment with
2 the claimant represents the employee's first full-time job. This subdivision does not
3 apply to employees who do not work in an enterprise zone.

History: 2009 a. 11.

4 **SECTION 1720^{e 1}n.** 71.47 (3w) (bm) 2. of the statutes, as created by 2009 Wisconsin
5 Act 11, is amended to read:

6 71.47 (**3w**) (bm) 2. In addition to the credits under par. (b) and ~~subd.~~ subds. 1.
7 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
8 claimant may claim as a credit against the tax imposed under s. 71.43 an amount
9 equal to the percentage, as determined by the department of commerce under s.
10 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the taxable
11 year to all of the claimant's full-time employees whose annual wages are greater
12 than \$20,000 in a tier I county or municipality, not including the wages paid to the
13 employees determined under par. (b) 1., or greater than \$30,000 in a tier II county
14 or municipality, not including the wages paid to the employees determined under
15 par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year,
16 if the total number of such employees is equal to or greater than the total number
17 of such employees in the base year. A claimant may claim a credit under this
18 subdivision for no more than 5 consecutive taxable years.

History: 2009 a. 11.

19 **SECTION 1720^{e 47}p.** 71.^{e 1}~~28~~ (3w) (bm) 3. of the statutes is created to re:
20 71.^{e 47}~~28~~ (**3w**) (bm) 3. In addition to the credits under par. (b) and su
21 2., and subject to the limitations provided in this subsection and s. 5
22 taxable years beginning after December 31, 2008, a claimant may claim
23 against the tax imposed under s. 71.43 up to 10 percent of the claimant's significant

INSERT 6-2

1 capital expenditures, as determined by the department of commerce under s.
2 560.799 (5m).²¹

3 4. Page 1591, line 25: after that line insert:

4 "SECTION 31²¹g. 560.799 (5m) of the statutes is created to read:

5 560.799 (5m) ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES.

6 If the department determines ^{that} a business certified under sub. (5) makes a significant
7 capital expenditure ^{in the enterprise zone} (as defined by the department by rule), the department may
8 certify the business to receive additional tax benefits in an amount to be determined

9 by the department. The department shall, in a manner determined by the
10 department, allocate the tax benefits a business is certified to receive under this
11 subsection over the remainder of the time limit of the enterprise zone under sub. (4).

12 SECTION 31²¹g. 560.799 (6) (g) 3. of the statutes is created to read:

13 560.799 (6) (g) 3. ²¹ definition of "significant capital expenditures" for purposes
14 of sub. (5m).²¹

(END)

The

*But not exceeding
10 percent of the business's
capital expenditures*

Insert 3-3



Section # 71.07 (3w) (c) 3. of the statutes is amended to read:

1571g

(5m)

71.07 (3w) (c) 3. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 560.799 (5)

History: (2) (i). 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2; s. 13.92 (2) (i).

(Insert 4/14)

Section #. 71.28 (3w) (c) 3. of the statutes is amended to read:

1655r

or (5m)

71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 560.799 (5) ~~or~~

History: 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2; s. 13.92 (2) (i). 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2; s. 13.92 (2) (i).

Amend 6-2

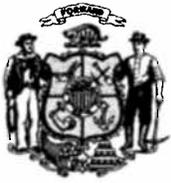
Section ~~7~~ 71.47 (3w) (c) 3. of the statutes is amended to read:

1721m

50 (5m)

71.47 (3w) (c) 3. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 560.799 (5) ^{12/0}

History: 003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2; s. 13.92 (2) (i). 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2; s. 13.92 (2) (i).



LFB:.....Shanovich (RR) – Enterprise Zones capital investment tax credit

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2009 ASSEMBLY BILL 75

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

2 **1.** Page 783, line 5: after that line insert:

3 **“SECTION 1571d.** 71.07 (3w) (bm) 1. of the statutes, as affected by 2009
4 Wisconsin Act 11, is amended to read:

5 71.07 (**3w**) (bm) 1. In addition to the credits under par. (b) and ~~subd.~~ subds. 2.
6 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
7 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
8 amount equal to a percentage, as determined by the department of commerce, not
9 to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade
10 or improve the job-related skills of any of the claimant’s full-time employees, to train

1 any of the claimant's full-time employees on the use of job-related new technologies,
2 or to provide job-related training to any full-time employee whose employment with
3 the claimant represents the employee's first full-time job. This subdivision does not
4 apply to employees who do not work in an enterprise zone.

5 **SECTION 1571e.** 71.07 (3w) (bm) 2. of the statutes, as created by 2009 Wisconsin
6 Act 11, is amended to read:

7 71.07 (3w) (bm) 2. In addition to the credits under par. (b) and ~~subd.~~ subds. 1.
8 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
9 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
10 amount equal to the percentage, as determined by the department of commerce
11 under s. 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the
12 taxable year to all of the claimant's full-time employees whose annual wages are
13 greater than \$20,000 in a tier I county or municipality, not including the wages paid
14 to the employees determined under par. (b) 1., or greater than \$30,000 in a tier II
15 county or municipality, not including the wages paid to the employees determined
16 under par. (b) 1., and who the claimant employed in the enterprise zone in the taxable
17 year, if the total number of such employees is equal to or greater than the total
18 number of such employees in the base year. A claimant may claim a credit under this
19 subdivision for no more than 5 consecutive taxable years.

20 **SECTION 1571f.** 71.07 (3w) (bm) 3. of the statutes is created to read:

21 71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1. and
22 2., and subject to the limitations provided in this subsection and s. 560.799, for
23 taxable years beginning after December 31, 2008, a claimant may claim as a credit
24 against the tax imposed under s. 71.02 or 71.08 up to 10 percent of the claimant's

1 significant capital expenditures, as determined by the department of commerce
2 under s. 560.799 (5m).

3 **SECTION 1571g.** 71.07 (3w) (c) 3. of the statutes is amended to read:

4 71.07 (3w) (c) 3. No credit may be allowed under this subsection unless the
5 claimant includes with the claimant's return a copy of the claimant's certification for
6 tax benefits under s. 560.799 (5) or (5m)."

7 **2.** Page 888, line 2: after that line insert:

8 **"SECTION 1655m.** 71.28 (3w) (bm) 1. of the statutes, as affected by 2009
9 Wisconsin Act 11, is amended to read:

10 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and ~~subd.~~ subds. 2.
11 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
12 claimant may claim as a credit against the tax imposed under s. 71.23 an amount
13 equal to a percentage, as determined by the department of commerce, not to exceed
14 100 percent, of the amount the claimant paid in the taxable year to upgrade or
15 improve the job-related skills of any of the claimant's full-time employees, to train
16 any of the claimant's full-time employees on the use of job-related new technologies,
17 or to provide job-related training to any full-time employee whose employment with
18 the claimant represents the employee's first full-time job. This subdivision does not
19 apply to employees who do not work in an enterprise zone.

20 **SECTION 1655n.** 71.28 (3w) (bm) 2. of the statutes, as created by 2009 Wisconsin
21 Act 11, is amended to read:

22 71.28 (3w) (bm) 2. In addition to the credits under par. (b) and ~~subd.~~ subds. 1.
23 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
24 claimant may claim as a credit against the tax imposed under s. 71.23 an amount

1 equal to the percentage, as determined by the department of commerce under s.
2 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the taxable
3 year to all of the claimant's full-time employees whose annual wages are greater
4 than \$20,000 in a tier I county or municipality, not including the wages paid to the
5 employees determined under par. (b) 1., or greater than \$30,000 in a tier II county
6 or municipality, not including the wages paid to the employees determined under
7 par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year,
8 if the total number of such employees is equal to or greater than the total number
9 of such employees in the base year. A claimant may claim a credit under this
10 subdivision for no more than 5 consecutive taxable years.

11 **SECTION 1655p.** 71.28 (3w) (bm) 3. of the statutes is created to read:

12 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1. and
13 2., and subject to the limitations provided in this subsection and s. 560.799, for
14 taxable years beginning after December 31, 2008, a claimant may claim as a credit
15 against the tax imposed under s. 71.23 up to 10 percent of the claimant's significant
16 capital expenditures, as determined by the department of commerce under s.
17 560.799 (5m).

18 **SECTION 1655r.** 71.28 (3w) (c) 3. of the statutes is amended to read:

19 71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the
20 claimant includes with the claimant's return a copy of the claimant's certification for
21 tax benefits under s. 560.799 (5) or (5m).”.

22 **3.** Page 941, line 21: after that line insert:

23 “**SECTION 1721m.** 71.47 (3w) (bm) 1. of the statutes, as affected by 2009
24 Wisconsin Act 11, is amended to read:

1 71.47 (3w) (bm) 1. In addition to the credits under par. (b) and ~~subd. subds. 2.~~
2 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
3 claimant may claim as a credit against the tax imposed under s. 71.43 an amount
4 equal to a percentage, as determined by the department of commerce, not to exceed
5 100 percent, of the amount the claimant paid in the taxable year to upgrade or
6 improve the job-related skills of any of the claimant's full-time employees, to train
7 any of the claimant's full-time employees on the use of job-related new technologies,
8 or to provide job-related training to any full-time employee whose employment with
9 the claimant represents the employee's first full-time job. This subdivision does not
10 apply to employees who do not work in an enterprise zone.

11 **SECTION 1721n.** 71.47 (3w) (bm) 2. of the statutes, as created by 2009 Wisconsin
12 Act 11, is amended to read:

13 71.47 (3w) (bm) 2. In addition to the credits under par. (b) and ~~subd. subds. 1.~~
14 and 3., and subject to the limitations provided in this subsection and s. 560.799, a
15 claimant may claim as a credit against the tax imposed under s. 71.43 an amount
16 equal to the percentage, as determined by the department of commerce under s.
17 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the taxable
18 year to all of the claimant's full-time employees whose annual wages are greater
19 than \$20,000 in a tier I county or municipality, not including the wages paid to the
20 employees determined under par. (b) 1., or greater than \$30,000 in a tier II county
21 or municipality, not including the wages paid to the employees determined under
22 par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year,
23 if the total number of such employees is equal to or greater than the total number
24 of such employees in the base year. A claimant may claim a credit under this
25 subdivision for no more than 5 consecutive taxable years.

1 **SECTION 1721p.** 71.47 (3w) (bm) 3. of the statutes is created to read:

2 71.47 (**3w**) (bm) 3. In addition to the credits under par. (b) and subds. 1. and
3 2., and subject to the limitations provided in this subsection and s. 560.799, for
4 taxable years beginning after December 31, 2008, a claimant may claim as a credit
5 against the tax imposed under s. 71.43 up to 10 percent of the claimant's significant
6 capital expenditures, as determined by the department of commerce under s.
7 560.799 (5m).

8 **SECTION 1721r.** 71.47 (3w) (c) 3. of the statutes is amended to read:

9 71.47 (**3w**) (c) 3. No credit may be allowed under this subsection unless the
10 claimant includes with the claimant's return a copy of the claimant's certification for
11 tax benefits under s. 560.799 (5) or (5m).”.

12 **4.** Page 1591, line 25: after that line insert:

13 “**SECTION 3121g.** 560.799 (5m) of the statutes is created to read:

14 **560.799 (5m)** ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES.
15 If the department determines that a business certified under sub. (5) makes a
16 significant capital expenditure in the enterprise zone, the department may certify
17 the business to receive additional tax benefits in an amount to be determined by the
18 department, but not exceeding 10 percent of the business' capital expenditures. The
19 department shall, in a manner determined by the department, allocate the tax
20 benefits a business is certified to receive under this subsection over the remainder
21 of the time limit of the enterprise zone under sub. (4).

22 **SECTION 3121r.** 560.799 (6) (g) 3. of the statutes is created to read:

