

2011 Jr1 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB3)

Received: **01/13/2011**

Received By: **jkreye**

Wanted: **As time permits**

Companion to LRB:

For: **Alberta Darling (608) 266-5830**

By/Representing: **andrew**

May Contact:

Drafter: **jkreye**

Subject: **Tax, Business - credits**

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Darling@legis.wisconsin.gov**

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

Pre Topic:

No specific pre topic given

Topic:

Relocation credit; technical changes from DOR

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>
/?							
/P1	jkreye 01/13/2011	csicilia 01/13/2011	rschluet 01/13/2011	_____	lparisi 01/13/2011		
/1	jkreye 01/14/2011	csicilia 01/17/2011	jfrantze 01/17/2011	_____	sbasford 01/17/2011	sbasford 01/17/2011	

FE Sent For:

<END>

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Senate Substitute Amendment (SSA-SB3)

Received: 01/13/2011

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Companion to LRB:

For: Alberta Darling (608) 266-5830

By/Representing: andrew

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/?							
/P1	jkreye 01/13/2011	csicilia 01/13/2011	rschluet 01/13/2011	_____	lparisi 01/13/2011		
	jkreye			_____			

FE Sent For:

jkreye
1/17
lparisi
1/17
END

2011 Jr1 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB3)

Received: 01/13/2011

Received By: jkreye

Wanted: As time permits

Companion to LRB:

For: Legislative Reference Bureau

By/Representing: joe

May Contact:

Drafter: jkreye

Subject: Tax, Business - credits

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: joseph.kreye@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

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/?							
/P1	jkreye 01/13/2011	csicilia 01/13/2011	rschluet 01/13/2011	_____	lparisi 01/13/2011		

FE Sent For:

<END>

2011 Jr1 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB3)

Received: 01/13/2011

Received By: **jkreye**

Wanted: **As time permits**

Companion to LRB:

For: **Legislative Reference Bureau**

By/Representing: **joe**

May Contact:

Drafter: **jkreye**

Subject: **Tax, Business - credits**

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email: **joseph.kreye@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Relocation credit; technical changes from DOR

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>
1/?	jkreye	/Plgs	1/13 10 11/31/11	ND JF 11/3			

FE Sent For:

<END>

Kreye, Joseph

From: Reinhardt, Rob
Sent: Thursday, January 13, 2011 8:55 AM
To: Kreye, Joseph
Subject: FW: Technical Memo for SS AB 3 & SB 3 Relocation Credit

Attachments: Relocation Credit.doc

From: Koskinen, John B - DOR [<mailto:John.Koskinen@revenue.wi.gov>]
Sent: Wednesday, January 12, 2011 5:56 PM
To: Reinhardt, Rob
Subject: FW: Technical Memo for SS AB 3 & SB 3 Relocation Credit

Just as a heads up on the relocation credit.

From: Koskinen, John B - DOR
Sent: Wednesday, January 12, 2011 5:55 PM
To: Grinde, Kirsten - DOA
Subject: FW: Technical Memo for SS AB 3 & SB 3 Relocation Credit

As a heads up, Senator Moulton has asked for our memos on technical fixes to the special session bills. We have previously sent you the technical fix to the small business tax credit. These are the technical fixes for the relocation credit.

From: Koskinen, John B - DOR
Sent: Wednesday, January 12, 2011 5:53 PM
To: Jablonski, Jack - DOR
Subject: Technical Memo for SS AB 3 & SB 3 Relocation Credit

This resolves many of the same technical issues as in SB 7 & AB 7.

I would highlight the computation is slightly different. In lieu of a credit, a final deduction is allowed that removes tax liability instead.

This draft does not include the 51% employment standard agreed to earlier today.



Relocation
Credit.doc (35 KB)

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These proposed changes are made to LRB 0755/2.

Strike Sections 1 through 5

New Section 1:

s. 71.05(6)(b)47a. through e. is created to read

47.a For taxable years beginning after December 31, 2010, for 2 consecutive taxable years beginning with the taxable year in which the claimant's business locates to this state from another state and begins doing business in this state as defined in s. 71.22(1r) and subject to the limitations provided under subdivisions (d) and (e), the profit or loss from a trade or business as reported on federal income tax return Schedules C and F or their equivalents, plus ordinary gain or loss on the sale of business assets, as determined under s. 71.01(6), but not less than zero, multiplied by the apportionment fraction determined in s. 71.04(4) and subject to (7).

b. With respect to partners and members of limited liability companies, for taxable years beginning after December 31, 2010, for 2 consecutive taxable years beginning with the taxable year in which the partnership's or limited liability company's business locates to this state from another state and begins doing business in this state as defined in s. 71.22(1r) and subject to the limitations provided under subdivisions (d) and (e), the partner's or member's distributive share of taxable income as calculated under section 703 of the Internal Revenue Code; plus the items of income and gain under section 702 of the Internal Revenue Code, including taxable state and municipal bond interest and excluding nontaxable interest income or dividend income from federal government obligations; minus the items of loss and deduction under section 702 of the Internal Revenue Code, except items that are not deductible under s. 71.21; plus guaranteed payments to partners under section 707 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), and (8r); and plus or minus, as appropriate, transitional adjustments, depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and (19), multiplied by the apportionment fraction determined in s. 71.04(4) and subject to (7) or by separate accounting. No amounts subtracted under this subdivision can be included in the modification under s. 71.05(6b)(9) or (9m).

c. With respect to shareholders of a tax-option corporation, for taxable years beginning after December 31, 2010, for 2 consecutive taxable years beginning with the taxable year in which the tax-option corporation's business locates to this state from another state and begins doing business in this state as defined in s. 71.22(1r) and subject to the limitations provided under subdivisions (d) and (e), the shareholder's distributive share of the entity's net income or loss as determined under Wisconsin law, including interest income from federal, state, and municipal government obligations, multiplied by the apportionment fraction determined in s. 71.25(6m) and subject to (9) or by separate accounting. No amounts subtracted under this subdivision can be included in the modification under s. 71.05(6b)(9) or (9m).

d. No modification may be made under this subpar. if the person, partnership, limited liability company or tax-option corporation has done business in this state during any of the 10 taxable years preceding the taxable year in which this modification is first made.

e. The department shall promulgate administrative rules for the implementation and operation of this subpar.

Section 6:

Strike amendent of 71.26(2)(a)4.

Create 71.26(2)(a)10.

Minus the amount computed under 71.05(6)(b)47b. subject to the limitations under s. 71.05(6)(b)47d. and e.

Section 7:

Retain s. 71.28(9s)(a)

Create s. 71.28(9s)(b)

Filing claims. Subject to the limitations provided under this subsection, for taxable years beginning after December 31, 2010, for two consecutive taxable years beginning with the taxable year in which the claimant's business locates to this state from another state and begins doing business in this state, a claimant may claim as a credit against taxes imposed under s. 71.23, up to the amount of the tax, the amount of the claimant's tax liability under this subchapter after applying all other allowable credits, deductions, and exclusions.

Retain s. 71.28(9s)(c)1.

Create s. 71.28(9s)(c)2.

(c)(2) Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection.

Create s. 71.28(9s)(c)3. to read as follows

(c)(3) The department shall promulgate administrative rules for the implementation and operation of this subsection.

Create s. 71.28(9s)(d) to read as follows

(d) Administration. Subsection (4)(g) and (h), as it applies to the credit under sub. (4) applies to the credit under this subsection.

Retain Section 8, 9 and 10

Section 11: Retain s. 71.47(9s)(a), (b) and (c)1

Create s. 71.47(9s)(c)2.

(c)2. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection.

Create s. 71.47(9s)(c)3. to read as follows

(c)3. The department shall promulgate administrative rules for the implementation and operation of this subsection.

Create s. 71.47(9s)(d) to read as follows

(a) Administration. Subsection (4)(g) and (h), as it applies to the credit under sub. (4) applies to the credit under this subsection.

Strike Section 13

Examples:

Qualifying taxpayer has \$25,000 in business income; no other income.

FAGI:	\$25,000
New Subtraction:	-\$25,000



State of Wisconsin
2011 - 2012 LEGISLATURE

January 2011 Special Session



LRBs0006/P1

JK:.....

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE SUBSTITUTE AMENDMENT,
TO SENATE BILL 3

js

SA✓

Thru HB
Today
Gen Cat

1 AN ACT...; relating to: income and franchise tax deductions and credits for
2 businesses that relocate to this state and granting rule-making authority.

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

3 SECTION 1. 71.05 (6) (b) 47. a. of the statutes is created to read:

4 71.05 (6) (b) 47. a. For taxable years beginning after December 31, 2010, for 2
5 consecutive taxable years beginning with the taxable year in which the claimant's
6 business locates to this state from another state and begins doing business in this
7 state, as defined in s. 71.22 (1r), and subject to the limitations provided under this
8 subdivision 47. d. and e., the profit or loss from a trade or business as reported on
9 federal income tax return Schedules C and F or their equivalents, plus ordinary gain
10 or loss on the sale of business assets, as determined under s. 71.01 (6), but not less

1 than zero, multiplied by the apportionment fraction determined in s. 71.04 (4) and
2 subject to s. 71.04 (7).

3 b. With respect to partners and members of limited liability companies, for
4 taxable years beginning after December 31, 2010, for 2 consecutive taxable years
5 beginning with the taxable year in which the partnership's or limited liability
6 company's business locates to this state from another state and begins doing
7 business in this state, as defined in s. 71.22 (1r), and subject to the limitations
8 provided under this subdivision 47. d. and e., the partner's or member's distributive
9 share of taxable income as calculated under section 703 of the Internal Revenue
10 Code; plus the items of income and gain under section 702 of the Internal Revenue
11 Code, including taxable state and municipal bond interest and excluding nontaxable
12 interest income or dividend income from federal government obligations; minus the
13 items of loss and deduction under section 702 of the Internal Revenue Code, except
14 items that are not deductible under s. 71.21; plus guaranteed payments to partners
15 under section 707 (c) of the Internal Revenue Code; plus the credits claimed under
16 s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n),
17 (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
18 (5rm), and (8r); and plus or minus, as appropriate, transitional adjustments,
19 depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and
20 (19), multiplied by the apportionment fraction determined in s. 71.04 (4) and subject
21 to s. 71.04 (7) or by separate accounting. No amounts subtracted under this
22 subdivision 47. b. may be included in the modification under par. (b) (9) or (9m). (9)

23 c. With respect to shareholders of a tax-option corporation, for taxable years
24 beginning after December 31, 2010, for 2 consecutive taxable years beginning with
25 the taxable year in which the tax-option corporation's business locates to this state (9m)

1 from another state and begins doing business in this state, as defined in s. 71.22 (1r),
2 and subject to the limitations provided under this subdivision 47. d. and e., the
3 shareholder's distributive share of the entity's net income or loss as determined
4 under Wisconsin law, including interest income from federal, state, and municipal
5 government obligations, multiplied by the apportionment fraction determined in s.
6 71.25 (6m) and subject to s. 71.25 (9) or by separate accounting. No amounts
7 subtracted under this subdivision can be included in the modification under par. (b)

8 (9) or (9m). 9m

9 9. d. No modification may be made under this subdivision if the person,
10 partnership, limited liability company, or tax-option corporation has done business
11 in this state during any of the 10 taxable years preceding the first taxable year in which

12 this modification is first made.

the modification would otherwise be allowed

13 e. The department shall promulgate rules to administer this subdivision.

14 **SECTION 2.** 71.26 (2) (a) 10. of the statutes is created to read:

15 71.26 (2) (a) 10. Minus the amount computed under 71.05 (6) (b) 47 b.

16 **SECTION 3.** 71.28 (9s) of the statutes is created to read:

17 71.28 (9s) RELOCATED BUSINESS CREDIT. (a) *Definition.* In this subsection,
18 "claimant" means a person who files a claim under this subsection.

19 (b) *Filing claims.* Subject to the limitations provided under this subsection, for
20 taxable years beginning after December 31, 2010, for 2 consecutive taxable years
21 beginning with the taxable year in which the claimant's business locates to this state
22 from another state and begins doing business in this state, a claimant may claim as
23 a credit against the taxes imposed under s. 71.23, up to the amount of the taxes, the
24 amount of the claimant's tax liability under this subchapter after applying all other
25 allowable credits, deductions, and exclusions.

1 (c) *Limitations.* 1. No person may claim a credit under this subsection if the
2 person has done business in this state during any of the 10 taxable years preceding
3 the ^{first} taxable year in which the person would otherwise be eligible to claim a credit
4 under par. (b).

5 2. Partnerships, limited liability companies, and tax-option corporations may
6 not claim the credit under this subsection.

7 (d) *Administration.* 1. Subsection (4) (g) and (h), as it applies to the credit
8 under sub. (4), applies to the credit under this subsection.

9 2. The department shall promulgate rules to administer this subsection.

10 SECTION 4. 71.30 (3) (ex)[^] of the statutes is created to read:

11 71.30 (3) (ex) Relocated business credit under s. 71.28 (9s)[✓].

12 SECTION 5. 71.34 (1k) (g) of the statutes is amended to read:

13 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option
14 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),
15 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j),
16 (5k), (5r), (5rm), ~~and (8r)~~, and (9s) and passed through to shareholders.

17 SECTION 6. 71.45 (2) (a) 10. of the statutes is amended to read:

18 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
19 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),
20 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), ~~and (8r)~~, and (9s) and not passed
21 through by a partnership, limited liability company, or tax-option corporation that
22 has added that amount to the partnership's, limited liability company's, or
23 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and the amount
24 of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

25 SECTION 7. 71.47 (9s)[^] of the statutes is created to read:



State of Wisconsin
2011 - 2012 LEGISLATURE

January 2011 Special Session



LRBs0006/P1
JK:cjs:rs

RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

**SENATE SUBSTITUTE AMENDMENT ,
TO SENATE BILL 3**

starts

in 1-14-11

by Monday AM

Regen Cat

1 AN ACT to amend 71.34 (1k) (g) and 71.45 (2) (a) 10.; and to create 71.05 (6) (b)
2 47., 71.26 (2) (a) 10., 71.28 (9s), 71.30 (3) (ex), 71.47 (9s) and 71.49 (1) (ex) of the
3 statutes; relating to: income and franchise tax deductions and credits for
4 businesses that relocate to this state and granting rule-making authority.

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

INSERT 1-5

5 SECTION 1. 71.05 (6) (b) 47. of the statutes is created to read:

6 71.05 (6) (b) 47. ^{am} For taxable years beginning after December 31, 2010, for 2
7 consecutive taxable years beginning with the taxable year in which the claimant's
8 business locates to this state from another state and begins doing business in this
9 state, as defined in s. 71.22 (1r), and subject to the limitations provided under subd.
10 47. d. and e., the profit or loss from a trade or business as reported on federal income

1 tax return schedules C and F or their equivalents, plus ordinary gain or loss on the
2 sale of business assets, as determined under s. 71.01 (6), but not less than zero,
3 multiplied by the apportionment fraction determined in s. 71.04 (4) and subject to
4 s. 71.04 (7).

5 b. With respect to partners and members of limited liability companies, for
6 taxable years beginning after December 31, 2010, for 2 consecutive taxable years
7 beginning with the taxable year in which the partnership's or limited liability
8 company's business locates to this state from another state and begins doing
9 business in this state, as defined in s. 71.22 (1r), and subject to the limitations
10 provided under subd. 47. d. and e., the partner's or member's distributive share of
11 taxable income as calculated under section 703 of the Internal Revenue Code; plus
12 the items of income and gain under section 702 of the Internal Revenue Code,
13 including taxable state and municipal bond interest and excluding nontaxable
14 interest income or dividend income from federal government obligations; minus the
15 items of loss and deduction under section 702 of the Internal Revenue Code, except
16 items that are not deductible under s. 71.21; plus guaranteed payments to partners
17 under section 707 (c) of the Internal Revenue Code; plus the credits claimed under
18 s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n),
19 (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
20 (5rm), and (8r); and plus or minus, as appropriate, transitional adjustments,
21 depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and
22 (19), multiplied by the apportionment fraction determined in s. 71.04 (4) and subject
23 to s. 71.04 (7) or by separate accounting. No amounts subtracted under this subd.
24 47. b. may be included in the modification under par. (b) 9. or 9m.

1 c. With respect to shareholders of a tax-option corporation, for taxable years
2 beginning after December 31, 2010, for 2 consecutive taxable years beginning with
3 the taxable year in which the tax-option corporation's business locates to this state
4 from another state and begins doing business in this state, as defined in s. 71.22 (1r),
5 and subject to the limitations provided under subd. 47. d. and e., the shareholder's
6 distributive share of the entity's net income or loss as determined under this chapter,
7 including interest income from federal, state, and municipal government
8 obligations, multiplied by the apportionment fraction determined in s. 71.25 (6m)
9 and subject to s. 71.25 (9) or by separate accounting. No amounts subtracted under
10 this subdivision may be included in the modification under par. (b) 9. or 9m.

11 d. No modification may be made under this subdivision if the person,
12 partnership, limited liability company, or tax-option corporation **first** has done
13 business in this state during any of the 10 taxable years preceding the first taxable
14 year in which the modification would otherwise be allowed.

15 e. The department shall promulgate rules to administer this subdivision.

16 **SECTION 2.** 71.26 (2) (a) 10. of the statutes is created to read:

17 71.26 (2) (a) 10. Minus the amount computed under 71.05 (6) (b) 47. b.

18 **SECTION 3.** 71.28 (9s) of the statutes is created to read:

19 71.28 (9s) RELOCATED BUSINESS CREDIT. (a) *Definition.* In this subsection

20 **1.** "claimant" means a person who files a claim under this subsection.

21 (b) *Filing claims.* Subject to the limitations provided under this subsection, for
22 taxable years beginning after December 31, 2010, for 2 consecutive taxable years
23 beginning with the taxable year in which the claimant's business locates to this state
24 from another state and begins doing business in this state, a claimant may claim as
25 a credit against the taxes imposed under s. 71.23, up to the amount of the taxes, the

INSERT
3-15

INSERT
3-20

1. C

1 amount of the claimant's tax liability under this subchapter after applying all other
2 allowable credits, deductions, and exclusions.

3 (c) *Limitations.* 1. No person may claim a credit under this subsection if the
4 person has done business in this state during any of the 10 taxable years preceding
5 the first taxable year in which the person would otherwise be eligible to claim a credit
6 under par. (b).

7 2. Partnerships, limited liability companies, and tax-option corporations may
8 not claim the credit under this subsection.

9 (d) *Administration.* 1. Subsection (4) (g) and (h), as it applies to the credit
10 under sub. (4), applies to the credit under this subsection.

11 2. The department shall promulgate rules to administer this subsection.

12 **SECTION 4.** 71.30 (3) (ex) of the statutes is created to read:

13 71.30 (3) (ex) Relocated business credit under s. 71.28 (9s).

14 ~~**SECTION 5.** 71.34 (1k) (g) of the statutes is amended to read:~~

15 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option
16 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),
17 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j),
18 (5k), (5r), (5rm), ~~and (8r), and (9s)~~ and passed through to shareholders.

19 **SECTION 6.** 71.45 (2) (a) 10. of the statutes is amended to read:

20 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
21 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),
22 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), ~~and (8r), and (9s)~~ and not passed
23 through by a partnership, limited liability company, or tax-option corporation that
24 has added that amount to the partnership's, limited liability company's, or

1 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and the amount
2 of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

3 **SECTION 7.** 71.47 (9s) of the statutes is created to read:

4 71.47 (9s) RELOCATED BUSINESS CREDIT. (a) *Definition.* In this subsection ^gg

5 ¹1. "claimant" means a person who files a claim under this subsection.

6 (b) *Filing claims.* Subject to the limitations provided under this subsection, for
7 taxable years beginning after December 31, 2010, for 2 consecutive taxable years
8 beginning with the taxable year in which the claimant's business locates to this state
9 from another state and begins doing business in this state, a claimant may claim as
10 a credit against the taxes imposed under s. 71.43, up to the amount of the taxes, the
11 amount of the claimant's tax liability under this subchapter after applying all other
12 allowable credits, deductions, and exclusions.

13 (c) *Limitations.* 1. No person may claim a credit under this subsection if the
14 person has done business in this state during any of the 10 taxable years preceding
15 the first taxable year in which the person would otherwise be eligible to claim a credit
16 under par. (b).

17 2. Partnerships, limited liability companies, and tax-option corporations may
18 not claim the credit under this subsection.

19 (d) *Administration.* 1. Section 71.28 (4) (g) and (h), as it applies to the credit
20 under s. 71.28 (4), applies to the credit under this subsection.

21 2. The department shall promulgate rules to administer this subsection.

22 **SECTION 8.** 71.49 (1) (ex) of the statutes is created to read:

23 71.49 (1) (ex) Relocated business credit under s. 71.47 (9s).

24 **SECTION 9. Nonstatutory provisions.**

INDEBT
5-5

2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0006/lins
JK:cjs:rs

Insert 1 - 5

taxable

modification

1 71.05 (6) (b) 47. a. In this subdivision, "locates to this state" means moving
2 either 51 percent or more of the workforce payroll of the business or at least \$200,000
3 of wages, as defined in section 3121 of the Internal Revenue Code, paid to such
4 workforce to Wisconsin during the first year to which a deduction relates under this
5 subdivision.

Insert 3 - 15

6 SECTION 1. 71.26 (2) (a) 4. of the statutes is amended to read:

7 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
8 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),
9 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), and (8r), and (9s)
10 and not passed through by a partnership, limited liability company, or tax-option
11 corporation that has added that amount to the partnership's, limited liability
12 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

NOTE: NOTE: Subd. 4. is shown as affected by 4 acts of the 2009 Wisconsin Legislature and as merged by the legislative reference bureau under s. 13.92 (2) (i). The cross-reference to s. 71.28 (3rn) was changed from s. 71.28 (3rm) by the legislative reference bureau under s. 13.92 (1) (bm) 2. to reflect the renumbering of s. 71.28 (3rm), as created by 2009 Wis. Act 295, under s. 13.92 (1) (bm) 2. NOTE:

History: 1987 a. 312; 1987 a. 411 ss. 22, 124 to 129; 1989 a. 31, 336; 1991 a. 37, 39, 221, 269; 1993 a. 16, 112, 246, 263, 399, 437, 491; 1995 a. 27, 56, 351, 371, 380, 428; 1997 a. 27, 37, 184, 237; 1999 a. 9, 65; 1999 a. 150 s. 672; 1999 a. 167, 194; 2001 a. 16, 38, 106, 109; 2003 a. 33, 85, 99, 135, 255, 326; 2005 a. 25, 74, 335, 361, 362, 479, 483; 2007 a. 20, 96, 97, 151, 226; 2009 a. 2, 28, 161, 165, 180, 183, 205, 265, 269, 295, 332, 344; s. 13.92 (1) (bm) 2., (2) (i).

Insert 3 - 20

13 2. "Locates to this state" means moving either 51 percent or more of the
14 workforce payroll of the business or at least \$200,000 of wages, as defined in section
15 3121 of the Internal Revenue Code, paid to such workforce to Wisconsin during the
16 first year to which a deduction relates under this subdivision.

credit

Insert 5 - 5

subsubsection

17 2. "Locates to this state" means moving either 51 percent or more of the
18 workforce payroll of the business or at least \$200,000 of wages, as defined in section

1 3121 of the Internal Revenue Code, paid to such workforce to Wisconsin during the
2 first year to which a deduction relates under this subdivision

taxable

deduction relates under this subdivision

credit

subdivision