71.07 **(2dr)** (b) *Development opportunity zones.* The development zones research credit under par. (a), as it applies to a person certified under s. 560.765 (3), 2009 stats., applies to a person that conducts economic activity in a development opportunity zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity zone credit under this paragraph may be calculated using expenses incurred by a claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the area in which the claimant conducts economic activity.

SECTION 427. 71.07 (2ds) (a) 1. of the statutes is amended to read:

71.07 **(2ds)** (a) 1. "Development zone" means a zone designated under s. 560.71, 2009 stats.

SECTION 428. 71.07 (2ds) (b) of the statutes is amended to read:

71.07 **(2ds)** (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009 stats., for tax benefits, any person may claim as a credit against taxes otherwise due under this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases and rentals of eligible property. Partnerships, limited liability companies and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, that credit shall be determined on the basis of their economic activity, not that of their partners, members or shareholders. The partnership, limited liability company or corporation shall compute the amount of credit that may be claimed by each of its partners, members or shareholders and shall provide that information to each of its partners, members or shareholders. Partners, members of a limited liability company and shareholders of tax-option

1 corporations may claim the credit based on the partnership's, company's or
2 corporation's activities in proportion to their ownership interest.

3 **SECTION 429.** 71.07 (2ds) (d) 1. of the statutes is amended to read:

4 71.07 **(2ds)** (d) 1. A copy of the claimant's certification for tax benefits under
5 s. 560.765 (3), 2009 stats.

6 **SECTION 430.** 71.07 (2dx) (a) 2. of the statutes is amended to read:

7 71.07 **(2dx)** (a) 2. "Development zone" means a development zone under s.
8 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
9 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.
10 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
11 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
12 560.7995, 2009 stats.

13 **SECTION 431.** 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

14 71.07 **(2dx)** (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
15 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
16 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
17 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
18 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
19 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
20 the taxes otherwise due under this chapter the following amounts:

21 **SECTION 432.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

22 71.07 **(2dx)** (b) 2. The amount determined by multiplying the amount
23 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
24 of full-time jobs created in a development zone and filled by a member of a targeted

group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

SECTION 433. 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 **(2dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

SECTION 434. 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 **(2dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

SECTION 435. 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 **(2dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

1 **SECTION 436.** 71.07 (2dx) (be) of the statutes is amended to read:

2 71.07 **(2dx)** (be) *Offset.* A claimant in a development zone under s. 238.395 (1)
3 (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
4 subsection, including any credits carried over, against the amount of the tax
5 otherwise due under this subchapter attributable to all of the claimant's income and
6 against the tax attributable to income from directly related business operations of
7 the claimant.

8 **SECTION 437.** 71.07 (2dx) (bg) of the statutes is amended to read:

9 71.07 **(2dx)** (bg) *Other entities.* For claimants in a development zone under s.
10 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
11 companies, and tax-option corporations may not claim the credit under this
12 subsection, but the eligibility for, and amount of, that credit shall be determined on
13 the basis of their economic activity, not that of their shareholders, partners, or
14 members. The corporation, partnership, or company shall compute the amount of
15 the credit that may be claimed by each of its shareholders, partners, or members and
16 shall provide that information to each of its shareholders, partners, or members.
17 Partners, members of limited liability companies, and shareholders of tax-option
18 corporations may claim the credit based on the partnership's, company's, or
19 corporation's activities in proportion to their ownership interest and may offset it
20 against the tax attributable to their income.

21 **SECTION 438.** 71.07 (2dx) (c) of the statutes is amended to read:

22 71.07 **(2dx)** (c) *Credit precluded.* If the certification of a person for tax benefits
23 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
24 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
25 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395

1 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
2 subsection for the taxable year that includes the day on which the certification is
3 revoked; the taxable year that includes the day on which the person becomes
4 ineligible for tax benefits; or succeeding taxable years and that person may not carry
5 over unused credits from previous years to offset tax under this chapter for the
6 taxable year that includes the day on which certification is revoked; the taxable year
7 that includes the day on which the person becomes ineligible for tax benefits; or
8 succeeding taxable years.

9 **SECTION 439.** 71.07 (2dx) (d) of the statutes is amended to read:

10 71.07 **(2dx)** (d) *Carry-over precluded.* If a person who is entitled under s.
11 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
12 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
13 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
14 tax 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 **SECTION 440.** 71.07 (2dy) (a) of the statutes is amended to read:

19 71.07 **(2dy)** (a) *Definition.* In this subsection, "claimant" means a person who
20 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
21 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
22 2009 stats.

23 **SECTION 441.** 71.07 (2dy) (b) of the statutes is amended to read:

24 71.07 **(2dy)** (b) *Filing claims.* Subject to the limitations under this subsection
25 and ss. 238.301 to 238.306 or ss. 560.701 to 560.706, 2009 stats., for taxable years

1 beginning after December 31, 2008, a claimant may claim as a credit against the tax
2 imposed under s. 71.02 or 71.08, up to the amount of the tax, the amount authorized
3 for the claimant under s. 238.303 or s. 560.703, 2009 stats.

4 **SECTION 442.** 71.07 (2dy) (c) 1. of the statutes is amended to read:

5 71.07 **(2dy)** (c) 1. No credit may be allowed under this subsection unless the
6 claimant includes with the claimant's return a copy of the claimant's certification
7 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice
8 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

9 **SECTION 443.** 71.07 (2dy) (c) 2. of the statutes is amended to read:

10 71.07 **(2dy)** (c) 2. Partnerships, limited liability companies, and tax-option
11 corporations may not claim the credit under this subsection, but the eligibility for,
12 and the amount of, the credit are based on their authorization to claim tax benefits
13 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
14 or tax-option corporation shall compute the amount of credit that each of its
15 partners, members, or shareholders may claim and shall provide that information
16 to each of them. Partners, members of limited liability companies, and shareholders
17 of tax-option corporations may claim the credit in proportion to their ownership
18 interests.

19 **SECTION 444.** 71.07 (2dy) (d) 2. of the statutes is amended to read:

20 71.07 **(2dy)** (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
21 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
22 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
23 subsection for the taxable year that includes the day on which the certification is
24 revoked; the taxable year that includes the day on which the claimant becomes
25 ineligible for tax benefits; or succeeding taxable years and the claimant may not

carry over unused credits from previous years to offset the tax imposed under s. 71.02 or 71.08 for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the claimant becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 445. 71.07 (3g) (a) (intro.) of the statutes is amended to read:

71.07 **(3g)** (a) (intro.) Subject to the limitations under this subsection and ss. 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes imposed under s. 71.02 an amount equal to the sum of the following, as established under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats:

SECTION 446. 71.07 (3g) (b) of the statutes is amended to read:

71.07 **(3g)** (b) The department of revenue shall notify the department of commerce or the Wisconsin Economic Development Corporation of all claims under this subsection.

SECTION 447. 71.07 (3g) (e) 2. of the statutes is amended to read:

71.07 **(3g)** (e) 2. The investments that relate to the amount described under par. (a) 2. for which a claimant makes a claim under this subsection must be retained for use in the technology zone for the period during which the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

SECTION 448. 71.07 (3g) (f) 1. of the statutes is amended to read:

71.07 **(3g)** (f) 1. A copy of ~~a~~ the verification ~~from the department of commerce~~ that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats., and that the business ~~and the department of commerce have~~ has entered into an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

SECTION 449. 71.07 (3g) (f) 2. of the statutes is amended to read:

1 71.07 **(3g)** (f) 2. A statement from the department of commerce or the Wisconsin
2 Economic Development Corporation verifying the purchase price of the investment
3 described under par. (a) 2. and verifying that the investment fulfills the requirement
4 under par. (e) 2.

5 **SECTION 450.** 71.07 (3p) (b) of the statutes is amended to read:

6 71.07 **(3p)** (b) *Filing claims.* Subject to the limitations provided in this
7 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
8 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
9 claimant may claim as a credit against the taxes imposed under s. 71.02 or 71.08, up
10 to the amount of the tax, an amount equal to 10 percent of the amount the claimant
11 paid in the taxable year for dairy manufacturing modernization or expansion related
12 to the claimant's dairy manufacturing operation.

13 **SECTION 451.** 71.07 (3p) (c) 2m. a. of the statutes is amended to read:

14 71.07 **(3p)** (c) 2m. a. The maximum amount of the credits that may be claimed
15 under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2007-08 is
16 $600,000, as allocated under s. 560.207, 2009 stats.

17 **SECTION 452.** 71.07 (3p) (c) 2m. b. of the statutes is amended to read:

18 71.07 **(3p)** (c) 2m. b. The maximum amount of the credits that may be claimed
19 by all claimants, other than members of dairy cooperatives, under this subsection
20 and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
21 thereafter, is $700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

22 **SECTION 453.** 71.07 (3p) (c) 2m. bm. of the statutes is amended to read:

23 71.07 **(3p)** (c) 2m. bm. The maximum amount of the credits that may be claimed
24 by members of dairy cooperatives under this subsection and ss. 71.28 (3p) and 71.47
25 (3p) in fiscal year 2009-10 is $600,000, as allocated under s. 560.207, 2009 stats., and

1 the maximum amount of the credits that may be claimed by members of dairy
2 cooperatives under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year
3 2010-11, and in each fiscal year thereafter, is $700,000, as allocated under s. 93.535
4 or s. 560.207, 2009 stats.

5 **SECTION 454.** 71.07 (3p) (c) 6. of the statutes is amended to read:

6 71.07 **(3p)** (c) 6. No credit may be allowed under this subsection unless the
7 claimant submits with the claimant's return a copy of the claimant's credit
8 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

9 **SECTION 455.** 71.07 (3q) (a) 1. of the statutes is amended to read:

10 71.07 **(3q)** (a) 1. "Claimant" means a person certified to receive tax benefits
11 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

12 **SECTION 456.** 71.07 (3q) (a) 2. of the statutes is amended to read:

13 71.07 **(3q)** (a) 2. "Eligible employee" means, for taxable years beginning before
14 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
15 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
16 taxable years beginning after December 31, 2010, an eligible employee under s.
17 238.16 (1) (b).

18 **SECTION 457.** 71.07 (3q) (b) (intro.) of the statutes is amended to read:

19 71.07 **(3q)** (b) *Filing claims.* (intro.) Subject to the limitations provided in this
20 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
21 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
22 ss. 71.02 and 71.08 any of the following.

23 **SECTION 458.** 71.07 (3q) (b) 1. of the statutes is amended to read:

24 71.07 **(3q)** (b) 1. The amount of wages that the claimant paid to an eligible
25 employee in the taxable year, not to exceed 10 percent of such wages, as determined

1 by the Wisconsin Economic Development Corporation under s. 238.16 or the
2 department of commerce under s. 560.2055, 2009 stats.

3 **SECTION 459.** 71.07 (3q) (b) 2. of the statutes is amended to read:

4 71.07 **(3q)** (b) 2. The amount of the costs incurred by the claimant in the taxable
5 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
6 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

7 **SECTION 460.** 71.07 (3q) (c) 2. of the statutes is amended to read:

8 71.07 **(3q)** (c) 2. No credit may be allowed under this subsection unless the
9 claimant includes with the claimant's return a copy of the claimant's certification for
10 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

11 **SECTION 461.** 71.07 (3q) (c) 3. of the statutes is amended to read:

12 71.07 **(3q)** (c) 3. The maximum amount of credits that may be awarded under
13 this subsection and ss. 71.28 (3q) and 71.47 (3q) for the period beginning on January
14 1, 2010, and ending on June 30, 2013, is $14,500,000, not including the amount of
15 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

16 **SECTION 462.** 71.07 (3r) (b) of the statutes is amended to read:

17 71.07 **(3r)** (b) *Filing claims.* Subject to the limitations provided in this
18 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
19 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
20 against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax, an
21 amount equal to 10 percent of the amount the claimant paid in the taxable year for
22 meat processing modernization or expansion related to the claimant's meat
23 processing operation.

24 **SECTION 463.** 71.07 (3r) (c) 3. a. of the statutes is amended to read:

71.07 **(3r)** (c) 3. a. The maximum amount of the credits that may be allocated under this subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2009-10 is $300,000, as allocated under s. 560.208, 2009 stats.

SECTION 464. 71.07 (3r) (c) 3. b. of the statutes is amended to read:

71.07 **(3r)** (c) 3. b. The maximum amount of the credits that may be allocated under this subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2010-11, and in each fiscal year thereafter, is $700,000, as allocated under s. 238.19 or s. 560.208, 2009 stats.

SECTION 465. 71.07 (3r) (c) 6. of the statutes is amended to read:

71.07 **(3r)** (c) 6. No credit may be allowed under this subsection unless the claimant submits with the claimant's return a copy of the claimant's credit certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

SECTION 466. 71.07 (3rm) (b) of the statutes is amended to read:

71.07 **(3rm)** (b) *Filing claims.* Subject to the limitations provided in this subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after December 31, 2009, and before January 1, 2016, a claimant may claim as a credit against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax, an amount equal to 10 percent of the amount the claimant paid in the taxable year for equipment that is used primarily to harvest or process woody biomass that is used as fuel or as a component of fuel.

SECTION 467. 71.07 (3rm) (c) 3. of the statutes is amended to read:

71.07 **(3rm)** (c) 3. The maximum amount of the credits that may be claimed under this subsection and ss. 71.28 (3rm) and 71.47 (3rm) is $900,000, as allocated under s. 238.21 or s. 560.209, 2009 stats.

SECTION 468. 71.07 (3rn) (b) of the statutes is amended to read:

71.07 **(3rn)** (b) *Filing claims.* Subject to the limitations provided in this subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years beginning after December 31, 2009, and before January 1, 2017, a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08, up to the amount of the tax, an amount equal to 10 percent of the amount the claimant paid in the taxable year for food processing or food warehousing modernization or expansion related to the operation of the claimant's food processing plant or food warehouse.

SECTION 469. 71.07 (3rn) (c) 3. a. of the statutes is amended to read:

71.07 **(3rn)** (c) 3. a. The maximum amount of the credits that may be allocated under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is $1,000,000, as allocated under s. 560.2056, 2009 stats.

SECTION 470. 71.07 (3rn) (c) 3. b. of the statutes is amended to read:

71.07 **(3rn)** (c) 3. b. The maximum amount of the credits that may be allocated under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is $1,200,000, as allocated under s. 560.2056, 2009 stats.

SECTION 471. 71.07 (3rn) (c) 3. c. of the statutes is amended to read:

71.07 **(3rn)** (c) 3. c. The maximum amount of the credits that may be allocated under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and in each year thereafter, is $700,000, as allocated under s. 238.17 or s. 560.2056, 2009 stats.

SECTION 472. 71.07 (3rn) (c) 6. of the statutes is amended to read:

71.07 **(3rn)** (c) 6. No credit may be allowed under this subsection unless the claimant submits with the claimant's return a copy of the claimant's credit certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

SECTION 473. 71.07 (3t) (b) of the statutes is amended to read:

1 71.07 **(3t)** (b) *Credit.* Subject to the limitations provided in this subsection and
2 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
3 claimant may claim as a credit, amortized over 15 taxable years starting with the
4 taxable year beginning after December 31, 2007, against the tax imposed under s.
5 71.02 and 71.08, up to the amount of the tax, an amount equal to the claimant's
6 unused credits under s. 71.07 (3s).

7 **SECTION 474.** 71.07 (3t) (c) 1. of the statutes is amended to read:

8 71.07 **(3t)** (c) 1. No credit may be claimed under this subsection unless the
9 claimant submits with the claimant's return a copy of the claimant's certification by
10 the department of commerce under s. 560.28, 2009 stats., except that, with regard
11 to credits claimed by partners of a partnership, members of a limited liability
12 company, or shareholders of a tax-option corporation, the entity shall provide a copy
13 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
14 to submit with his or her return.

15 **SECTION 475.** 71.07 (3w) (a) 2. of the statutes is amended to read:

16 71.07 **(3w)** (a) 2. "Claimant" means a person who is certified to claim tax
17 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
18 this subsection.

19 **SECTION 476.** 71.07 (3w) (a) 3. of the statutes is amended to read:

20 71.07 **(3w)** (a) 3. "Full-time employee" means a full-time employee, as defined
21 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

22 **SECTION 477.** 71.07 (3w) (a) 4. of the statutes is amended to read:

23 71.07 **(3w)** (a) 4. "Enterprise zone" means a zone designated under s. 238.399
24 or s. 560.799, 2009 stats.

25 **SECTION 478.** 71.07 (3w) (a) 5d. of the statutes is amended to read:

71.07 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats.

SECTION 479. 71.07 (3w) (a) 5e. of the statutes is amended to read:

71.07 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats.

SECTION 480. 71.07 (3w) (b) (intro.) of the statutes is amended to read:

71.07 **(3w)** (b) *Filing claims; payroll.* (intro.) Subject to the limitations provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount calculated as follows:

SECTION 481. 71.07 (3w) (b) 5. of the statutes is amended to read:

71.07 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the percentage determined by ~~the department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent.

SECTION 482. 71.07 (3w) (bm) 1. of the statutes is amended to read:

71.07 **(3w)** (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and 4., and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount equal to a percentage, as determined ~~by the department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade or improve the job-related skills of any of the claimant's full-time employees, to train any of the claimant's full-time employees on the use of job-related new technologies, or to

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

SECTION 483. 71.07 (3w) (bm) 2. of the statutes is amended to read:

71.07 **(3w)** (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and 4., and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount equal to the percentage, as determined ~~by the department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the claimant's full-time employees whose annual wages are greater than $20,000 in a tier I county or municipality, not including the wages paid to the employees determined under par. (b) 1., or greater than $30,000 in a tier II county or municipality, not including the wages paid to the employees determined under par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if the total number of such employees is equal to or greater than the total number of such employees in the base year. A claimant may claim a credit under this subdivision for no more than 5 consecutive taxable years.

SECTION 484. 71.07 (3w) (bm) 3. of the statutes is amended to read:

71.07 **(3w)** (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and 4., and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 up to 10 percent of the claimant's significant capital expenditures, as determined ~~by the department of commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

1 **SECTION 485.** 71.07 (3w) (bm) 4. of the statutes is amended to read:

2 71.07 **(3w)** (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
3 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
4 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
5 may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to 1 percent
6 of the amount that the claimant paid in the taxable year to purchase tangible
7 personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
8 services from Wisconsin vendors, as determined ~~by the department of commerce~~
9 under s. 238.399 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may
10 not claim the credit under this subdivision and subd. 3. for the same expenditures.

11 **SECTION 486.** 71.07 (3w) (c) 3. of the statutes is amended to read:

12 71.07 **(3w)** (c) 3. No credit may be allowed under this subsection unless the
13 claimant includes with the claimant's return a copy of the claimant's certification for
14 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

15 **SECTION 487.** 71.07 (3w) (d) of the statutes is amended to read:

16 71.07 **(3w)** (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
17 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
18 include with their returns a copy of their certification for tax benefits, and a copy of
19 the verification of their expenses, from the department of commerce or the Wisconsin
20 Economic Development Corporation.

21 **SECTION 488.** 71.07 (5b) (a) 2. of the statutes is amended to read:

22 71.07 **(5b)** (a) 2. "Fund manager" means an investment fund manager certified
23 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

24 **SECTION 489.** 71.07 (5b) (b) 1. of the statutes is amended to read:

71.07 **(5b)** (b) 1. For taxable years beginning after December 31, 2004, subject to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08, up to the amount of those taxes, 25 percent of the claimant's investment paid to a fund manager that the fund manager invests in a business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

SECTION 490. 71.07 (5b) (b) 2. of the statutes is amended to read:

71.07 **(5b)** (b) 2. In the case of a partnership, limited liability company, or tax-option corporation, the computation of the 25 percent limitation under subd. 1. shall be determined at the entity level rather than the claimant level and may be allocated among the claimants who make investments in the manner set forth in the entity's organizational documents. The entity shall provide to the department of revenue and to the department of commerce or the Wisconsin Economic Development Corporation the names and tax identification numbers of the claimants, the amounts of the credits allocated to the claimants, and the computation of the allocations.

SECTION 491. 71.07 (5d) (a) 1. (intro.) of the statutes is amended to read:

71.07 **(5d)** (a) 1. (intro.) "Bona fide angel investment" means a purchase of an equity interest, or any other expenditure, as determined by rule under s. 238.15 or s. 560.205, 2009 stats., that is made by any of the following:

SECTION 492. 71.07 (5d) (a) 3. of the statutes is amended to read:

71.07 **(5d)** (a) 3. "Qualified new business venture" means a business that is certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

SECTION 493. 71.07 (5d) (b) (intro.) of the statutes is amended to read:

1 71.07 **(5d)** (b) *Filing claims.* (intro.) Subject to the limitations provided in this
2 subsection and in s. 238.15 or s. 560.205, 2009 stats., a claimant may claim as a credit
3 against the tax imposed under s. 71.02 or 71.08, up to the amount of those taxes, the
4 following:

5 **SECTION 494.** 71.07 (5d) (b) 1. of the statutes is amended to read:

6 71.07 **(5d)** (b) 1. For taxable years beginning before January 1, 2008, in each
7 taxable year for 2 consecutive years, beginning with the taxable year as certified by
8 the department of commerce or the Wisconsin Economic Development Corporation,
9 an amount equal to 12.5 percent of the claimant's bona fide angel investment made
10 directly in a qualified new business venture.

11 **SECTION 495.** 71.07 (5d) (b) 2. of the statutes is amended to read:

12 71.07 **(5d)** (b) 2. For taxable years beginning after December 31, 2007, for the
13 taxable year certified by the department of commerce or the Wisconsin Economic
14 Development Corporation, an amount equal to 25 percent of the claimant's bona fide
15 angel investment made directly in a qualified new business venture.

16 **SECTION 496.** 71.07 (5d) (c) 2. of the statutes is amended to read:

17 71.07 **(5d)** (c) 2. For taxable years beginning before January 1, 2008, the
18 maximum amount of a claimant's investment that may be used as the basis for a
19 credit under this subsection is $2,000,000 for each investment made directly in a
20 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

21 **SECTION 497.** 71.07 (5f) (a) 1. (intro.) of the statutes is amended to read:

22 71.07 **(5f)** (a) 1. "Accredited production" means a film, video, broadcast
23 advertisement, or television production, as approved by the department of commerce
24 or the Wisconsin Economic Development Corporation, for which the aggregate salary
25 and wages included in the cost of the production for the period ending 12 months

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after the month in which the principal filming or taping of the production begins exceeds $50,000. "Accredited production" also means an electronic game, as approved by the department of commerce or the Wisconsin Economic Development Corporation, for which the aggregate salary and wages included in the cost of the production for the period ending 36 months after the month in which the principal programming, filming, or taping of the production begins exceeds $100,000. "Accredited production" does not include any of the following, regardless of the production costs:

SECTION 498. 71.07 (5f) (a) 3. of the statutes is amended to read:

71.07 **(5f)** (a) 3. "Production expenditures" means any expenditures that are incurred in this state and directly used to produce an accredited production, including expenditures for set construction and operation, wardrobes, make-up, clothing accessories, photography, sound recording, sound synchronization, sound mixing, lighting, editing, film processing, film transferring, special effects, visual effects, renting or leasing facilities or equipment, renting or leasing motor vehicles, food, lodging, and any other similar expenditure as determined by the department of commerce or the Wisconsin Economic Development Corporation. "Production expenditures" do not include salary, wages, or labor-related contract payments.

SECTION 499. 71.07 (5f) (c) 6. of the statutes is amended to read:

71.07 **(5f)** (c) 6. No credit may be allowed under this subsection unless the claimant files an application with the department of commerce or the Wisconsin Economic Development Corporation, at the time and in the manner prescribed by the department of commerce or the Wisconsin Economic Development Corporation, and the department of commerce or the Wisconsin Economic Development Corporation approves the application. The claimant shall submit a fee with the application in an

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amount equal to 2 percent of the claimant's budgeted production expenditures or to $5,000, whichever is less. The claimant shall submit a copy of the approved application with the claimant's return.

SECTION 500. 71.07 (5h) (c) 4. of the statutes is amended to read:

71.07 **(5h)** (c) 4. No claim may be allowed under this subsection unless the department of commerce or the Wisconsin Economic Development Corporation certifies, in writing, that the credits claimed under this subsection are for expenses related to establishing or operating a film production company in this state and the claimant submits a copy of the certification with the claimant's return.

SECTION 501. 71.07 (5i) (c) 1. of the statutes is amended to read:

71.07 **(5i)** (c) 1. The maximum amount of the credits that may be claimed under this subsection and ss. 71.28 (5i) and 71.47 (5i) in a taxable year is $10,000,000, as allocated under s. 238.14 or s. 560.204, 2009 stats.

SECTION 502. 71.07 (5j) (a) 2d. of the statutes is amended to read:

71.07 **(5j)** (a) 2d. "Diesel replacement renewable fuel" includes biodiesel and any other fuel derived from a renewable resource that meets all of the applicable requirements of the American Society for Testing and Materials for that fuel and that the department of commerce or the department of safety and professional services designates by rule as a diesel replacement renewable fuel.

SECTION 503. 71.07 (5j) (a) 2m. of the statutes is amended to read:

71.07 **(5j)** (a) 2m. "Gasoline replacement renewable fuel" includes ethanol and any other fuel derived from a renewable resource that meets all of the applicable requirements of the American Society for Testing and Materials for that fuel and that the department of commerce or the department of safety and professional services designates by rule as a gasoline replacement renewable fuel.

1 **SECTION 504.** 71.07 (5j) (c) 3. of the statutes is amended to read:

2 71.07 **(5j)** (c) 3. The department of commerce or the department of safety and
3 professional services shall establish standards to adequately prevent, in the
4 distribution of conventional fuel to an end user, the inadvertent distribution of fuel
5 containing a higher percentage of renewable fuel than the maximum percentage
6 established by the federal environmental protection agency for use in
7 conventionally-fueled engines.

8 **SECTION 505.** 71.28 (1dd) (b) of the statutes is amended to read:

9 71.28 **(1dd)** (b) Except as provided in s. 73.03 (35), for any taxable year for
10 which that person is certified under s. 560.765 (3), 2009 stats., and begins business
11 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, entitled under
12 s. 560.795 (3) (a), 2009 stats., and begins business operations in a zone under s.
13 560.795, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009
14 stats., for each zone for which the person is certified or entitled a person may credit
15 against taxes otherwise due under this subchapter employment-related day care
16 expenses, up to $1,200 for each qualifying individual.

17 **SECTION 506.** 71.28 (1dd) (e) of the statutes is amended to read:

18 71.28 **(1dd)** (e) The credit under this subsection, as it applies to a person
19 certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts
20 economic activity in a zone under s. 560.795 (1), 2009 stats., and that is entitled to
21 tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795
22 (2), 2009 stats. A credit under this subsection may be credited using expenses
23 incurred by a claimant on July 29, 1995.

24 **SECTION 507.** 71.28 (1de) (a) (intro.) of the statutes is amended to read:

1 71.28 **(1de)** (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year
2 for which a person is certified under s. 560.765 (3), 2009 stats., and begins business
3 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, entitled under
4 s. 560.795 (3) (a), 2009 stats., and begins business operations in a zone under s.
5 560.795, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009
6 stats., for each zone for which the person is certified or entitled the person may claim
7 as a credit against taxes otherwise due under this subchapter an amount equal to
8 7.5% of the amount that the person expends to remove or contain environmental
9 pollution, as defined in s. 299.01 (4), in the zone or to restore soil or groundwater that
10 is affected by environmental pollution, as defined in s. 299.01 (4), in the zone if the
11 person fulfills all of the following requirements:

12 **SECTION 508.** 71.28 (1de) (a) 1. of the statutes is amended to read:

13 71.28 **(1de)** (a) 1. Begins the work, other than planning and investigating, for
14 which the credit is claimed after the area that includes the site where the work is
15 done is designated a development zone under s. 560.71, 2009 stats., a development
16 opportunity zone under s. 560.795, 2009 stats., or an enterprise development zone
17 under s. 560.797, 2009 stats., and after the claimant is certified under s. 560.765 (3),
18 2009 stats., entitled under s. 560.795 (3) (a), 2009 stats., or certified under s. 560.797
19 (4) (a), 2009 stats.

20 **SECTION 509.** 71.28 (1de) (d) of the statutes is amended to read:

21 71.28 **(1de)** (d) The credit under this subsection, as it applies to a person
22 certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts
23 economic activity in a zone under s. 560.795 (1), 2009 stats., and that is entitled to
24 tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795

1 (2), 2009 stats. A credit under this subsection may be credited using expenses
2 incurred by a claimant on July 29, 1995.

3 **SECTION 510.** 71.28 (1di) (a) (intro.) of the statutes is amended to read:

4 71.28 **(1di)** (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 entitled under s. 560.795 (3), 2009 stats.,
6 to claim tax benefits, any person may claim as a credit against taxes otherwise due
7 under this chapter 2.5% of the purchase price of depreciable, tangible personal
8 property, or 1.75% of the purchase price of depreciable, tangible personal property
9 that is expensed under section 179 of the internal revenue code for purposes of the
10 taxes under this chapter, except that:

11 **SECTION 511.** 71.28 (1di) (a) 1. of the statutes is amended to read:

12 71.28 **(1di)** (a) 1. The investment must be in property that is purchased after
13 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
14 is used for at least 50% of its use in the conduct of the person's business operations
15 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the
16 property is mobile, the base of operations of the property for at least 50% of its use
17 must be a location in a development zone.

18 **SECTION 512.** 71.28 (1di) (b) 2. of the statutes is amended to read:

19 71.28 **(1di)** (b) 2. If the claimant is located on an Indian reservation, as defined
20 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
21 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
22 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
23 under this subsection exceeds the taxes otherwise due under this chapter on or
24 measured by the claimant's income, the amount of the credit not used as an offset

1 against those taxes shall be certified to the department of administration for
2 payment to the claimant by check, share draft or other draft.

3 **SECTION 513.** 71.28 (1di) (b) 3. of the statutes is amended to read:

4 71.28 **(1di)** (b) 3. Partnerships, limited liability companies and tax-option
5 corporations may not claim the credit under this subsection, but the eligibility for,
6 and amount of, that credit shall be determined on the basis of their economic activity,
7 not that of their shareholders, partners or members. The corporation, partnership
8 or limited liability company shall compute the amount of the credit that may be
9 claimed by each of its shareholders, partners or members and shall provide that
10 information to each of its shareholders, partners or members. Partners, members
11 of limited liability companies and shareholders of tax-option corporations may claim
12 the credit based on the partnership's, company's or corporation's activities in
13 proportion to their ownership interest and may offset it against the tax attributable
14 to their income from the partnership's, company's or corporation's business
15 operations in the development zone; except that partners, members, and
16 shareholders in a development zone under s. 560.795 (1) (e), 2009 stats., may offset
17 the credit against the amount of the tax attributable to their income from all of the
18 partnership's, company's, or corporation's business operations; and against the tax
19 attributable to their income from the partnership's, company's or corporation's
20 directly related business operations.

21 **SECTION 514.** 71.28 (1di) (d) 1. of the statutes is amended to read:

22 71.28 **(1di)** (d) 1. A copy of a verification from the department of commerce that
23 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

24 **SECTION 515.** 71.28 (1di) (f) of the statutes is amended to read:

1 71.28 **(1di)** (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
2 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
3 credits under this subsection for the taxable year that includes the day on which the
4 person becomes ineligible for tax benefits or succeeding taxable years and that
5 person may carry over no unused credits from previous years to offset tax under this
6 chapter for the taxable year that includes the day on which the person becomes
7 ineligible for tax benefits or succeeding taxable years.

8 **SECTION 516.** 71.28 (1di) (g) of the statutes is amended to read:

9 71.28 **(1di)** (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
10 claim tax benefits ceases business operations in the development zone during any of
11 the taxable years that that zone exists, that person may not carry over to any taxable
12 year following the year during which operations cease any unused credits from the
13 taxable year during which operations cease or from previous taxable years.

14 **SECTION 517.** 71.28 (1di) (i) of the statutes is amended to read:

15 71.28 **(1di)** (i) The development zones credit under this subsection, as it applies
16 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
17 conducts economic activity in a development opportunity zone under s. 560.795 (1),
18 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
19 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
20 zone credit under this paragraph may be calculated using expenses incurred by a
21 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
22 development opportunity zone designation of the area in which the claimant
23 conducts economic activity.

24 **SECTION 518.** 71.28 (1dj) (am) (intro.) of the statutes is amended to read:

1 71.28 **(1dj)** (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
2 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
3 for tax benefits, any person may claim as a credit against taxes otherwise due under
4 this chapter an amount calculated as follows:

5 **SECTION 519.** 71.28 (1dj) (am) 4. a. of the statutes is amended to read:

6 71.28 **(1dj)** (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
7 benefits before January 1, 1992, modify "qualified wages" as defined in section 51 (b)
8 of the internal revenue code to exclude wages paid before the claimant is certified for
9 tax benefits and to exclude wages that are paid to employees for work at any location
10 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
11 of this subd. 4. a., mobile employees work at their base of operations and leased or
12 rented employees work at the location where they perform services.

13 **SECTION 520.** 71.28 (1dj) (am) 4. b. of the statutes is amended to read:

14 71.28 **(1dj)** (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
15 benefits after December 31, 1991, modify "qualified wages" as defined in section 51
16 (b) of the internal revenue code to exclude wages paid before the claimant is certified
17 for tax benefits and to exclude wages that are paid to employees for work at any
18 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
19 purposes of this subd. 4. b., mobile employees and leased or rented employees work
20 at their base of operations.

21 **SECTION 521.** 71.28 (1dj) (am) 4c. of the statutes is amended to read:

22 71.28 **(1dj)** (am) 4c. Modify the rule for ineligible individuals under section 51
23 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
24 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal

1 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
2 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

3 **SECTION 522.** 71.28 (1dj) (am) 4t. of the statutes is amended to read:

4 71.28 **(1dj)** (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
5 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
6 for leased or rented employees, except employees of a leasing agency certified for tax
7 benefits who perform services directly for the agency in a development zone, the
8 minimum employment periods apply to the time that they perform services in a
9 development zone for a single lessee or renter, not to their employment by the leasing
10 agency.

11 **SECTION 523.** 71.28 (1dj) (e) 1. of the statutes is amended to read:

12 71.28 **(1dj)** (e) 1. A copy of the claimant's certification for tax benefits under s.
13 560.765 (3), 2009 stats.

14 **SECTION 524.** 71.28 (1dj) (e) 3. a. of the statutes is amended to read:

15 71.28 **(1dj)** (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
16 before January 1, 1992, a statement from the department of commerce verifying the
17 amount of qualifying wages and verifying that the employees were hired for work
18 only in a development zone or are mobile employees whose base of operations is in
19 a development zone.

20 **SECTION 525.** 71.28 (1dj) (e) 3. b. of the statutes is amended to read:

21 71.28 **(1dj)** (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
22 after December 31, 1991, a statement from the department of commerce verifying the
23 amount of qualifying wages and verifying that the employees were hired for work
24 only in a development zone or are mobile employees or leased or rented employees
25 whose base of operations is in a development zone.

1 **SECTION 526.** 71.28 (1dj) (i) of the statutes is amended to read:

2 71.28 **(1dj)** (i) The development zones credit under this subsection, as it applies
3 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
4 conducts economic activity in a development opportunity zone under s. 560.795 (1),
5 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
6 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
7 zone credit under this paragraph may be calculated using expenses incurred by a
8 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
9 development opportunity zone designation of the area in which the claimant
10 conducts economic activity.

11 **SECTION 527.** 71.28 (1dL) (a) of the statutes is amended to read:

12 71.28 **(1dL)** (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
13 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009
14 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
15 under this subchapter an amount equal to 2.5% of the amount expended by that
16 person to acquire, construct, rehabilitate or repair real property in a development
17 zone under subch. VI of ch. 560, 2009 stats.

18 **SECTION 528.** 71.28 (1dL) (ag) of the statutes is amended to read:

19 71.28 **(1dL)** (ag) If the credit under par. (a) is claimed for an amount expended
20 to construct, rehabilitate, remodel or repair property, the claimant must have begun
21 the physical work of construction, rehabilitation, remodeling or repair, or any
22 demolition or destruction in preparation for the physical work, after the place where
23 the property is located was designated a development zone under s. 560.71, 2009
24 stats., and the completed project must be placed in service after the claimant is
25 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, "physical

1 work" does not include preliminary activities such as planning, designing, securing
2 financing, researching, developing specifications or stabilizing the property to
3 prevent deterioration.

4 **SECTION 529.** 71.28 (1dL) (ar) of the statutes is amended to read:

5 71.28 **(1dL)** (ar) If the credit under par. (a) is claimed for an amount expended
6 to acquire property, the property must have been acquired by the claimant after the
7 place where the property is located was designated a development zone under s.
8 560.71, 2009 stats., and the completed project must be placed in service after the
9 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
10 property must not have been previously owned by the claimant or a related person
11 during the 2 years prior to the designation of the development zone under s. 560.71,
12 2009 stats. No credit is allowed for an amount expended to acquire property until
13 the property, either in its original state as acquired by the claimant or as
14 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

15 **SECTION 530.** 71.28 (1dL) (bm) of the statutes is amended to read:

16 71.28 **(1dL)** (bm) In calculating the credit under par. (a) a claimant shall reduce
17 the amount expended to acquire property by a percentage equal to the percentage of
18 the area of the real property not used for the purposes for which the claimant is
19 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
20 amount expended for other purposes by the amount expended on the part of the
21 property not used for the purposes for which the claimant is certified to claim tax
22 benefits under s. 560.765 (3), 2009 stats.

23 **SECTION 531.** 71.28 (1dL) (c) of the statutes is amended to read:

24 71.28 **(1dL)** (c) If the claimant is located on an Indian reservation, as defined
25 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),

1 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
2 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
3 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
4 the claimant's income, the amount of the credit not used as an offset against those
5 taxes shall be certified to the department of administration for payment to the
6 claimant by check, share draft or other draft.

7 **SECTION 532.** 71.28 (1dL) (i) of the statutes is amended to read:

8 71.28 **(1dL)** (i) The development zones credit under this subsection, as it
9 applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation
10 that conducts economic activity in a development opportunity zone under s. 560.795
11 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
12 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
13 zone credit under this paragraph may be calculated using expenses incurred by a
14 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
15 development opportunity zone designation of the area in which the claimant
16 conducts economic activity.

17 **SECTION 533.** 71.28 (1dm) (a) 1. of the statutes is amended to read:

18 71.28 **(1dm)** (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
19 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
20 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
21 s. or 560.7995 (4), 2009 stats.

22 **SECTION 534.** 71.28 (1dm) (a) 3. of the statutes is amended to read:

23 71.28 **(1dm)** (a) 3. "Development zone" means a development opportunity zone
24 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or

1 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
2 560.7995, 2009 stats.

3 **SECTION 535.** 71.28 (1dm) (a) 4. of the statutes is amended to read:

4 71.28 **(1dm)** (a) 4. "Previously owned property" means real property that the
5 claimant or a related person owned during the 2 years prior to the department of
6 commerce or the Wisconsin Economic Development Corporation designating the
7 place where the property is located as a development zone and for which the claimant
8 may not deduct a loss from the sale of the property to, or an exchange of the property
9 with, the related person under section 267 of the Internal Revenue Code, except that
10 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns
11 any part of the property, rather than 50% ownership, the claimant is subject to
12 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

13 **SECTION 536.** 71.28 (1dm) (f) 1. of the statutes is amended to read:

14 71.28 **(1dm)** (f) 1. A copy of ~~a~~ the verification ~~from the department of commerce~~
15 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)
16 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or
17 s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

18 **SECTION 537.** 71.28 (1dm) (f) 2. of the statutes is amended to read:

19 71.28 **(1dm)** (f) 2. A statement from the department of commerce or the
20 Wisconsin Economic Development Corporation verifying the purchase price of the
21 investment and verifying that the investment fulfills the requirements under par.
22 (b).

23 **SECTION 538.** 71.28 (1dm) (i) of the statutes is amended to read:

24 71.28 **(1dm)** (i) Partnerships, limited liability companies, and tax-option
25 corporations may not claim the credit under this subsection, but the eligibility for,

1 and the amount of, that credit shall be determined on the basis of their economic
2 activity, not that of their shareholders, partners, or members. The corporation,
3 partnership, or limited liability company shall compute the amount of credit that
4 may be claimed by each of its shareholders, partners, or members and provide that
5 information to its shareholders, partners, or members. Partners, members of limited
6 liability companies, and shareholders of tax-option corporations may claim the
7 credit based on the partnership's, company's, or corporation's activities in proportion
8 to their ownership interest and may offset it against the tax attributable to their
9 income from the partnership's, company's, or corporation's business operations in the
10 development zone; except that partners, members, and shareholders in a
11 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
12 the credit against the amount of the tax attributable to their income.

13 **SECTION 539.** 71.28 (1dm) (j) of the statutes is amended to read:

14 71.28 **(1dm)** (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
15 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
16 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
17 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
18 revoked, that person may claim no credits under this subsection for the taxable year
19 that includes the day on which the person becomes ineligible for tax benefits, the
20 taxable year that includes the day on which the certification is revoked, or succeeding
21 taxable years, and that person may carry over no unused credits from previous years
22 to offset tax under this chapter for the taxable year that includes the day on which
23 the person becomes ineligible for tax benefits, the taxable year that includes the day
24 on which the certification is revoked, or succeeding taxable years.

25 **SECTION 540.** 71.28 (1dm) (k) of the statutes is amended to read:

1 71.28 **(1dm)** (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.
2 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
3 239.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
4 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
5 during any of the taxable years that that zone exists, that person may not carry over
6 to any taxable year following the year during which operations cease any unused
7 credits from the taxable year during which operations cease or from previous taxable
8 years.

9 **SECTION 541.** 71.28 (1ds) (a) 1. of the statutes is amended to read:

10 71.28 **(1ds)** (a) 1. "Development zone" means a zone designated under s. 560.71,
11 2009 stats.

12 **SECTION 542.** 71.28 (1ds) (b) of the statutes is amended to read:

13 71.28 **(1ds)** (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
14 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
15 for tax benefits, any person may claim as a credit against taxes otherwise due under
16 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
17 and rentals of eligible property. Partnerships, limited liability companies and
18 tax-option corporations may not claim the credit under this subsection, but the
19 eligibility for, and the amount of, that credit shall be determined on the basis of their
20 economic activity, not that of their partners, members or shareholders. The
21 partnership, limited liability company or corporation shall compute the amount of
22 credit that may be claimed by each of its partners, members or shareholders and
23 shall provide that information to its partners, members or shareholders. Partners,
24 members of limited liability companies and shareholders of tax-option corporations

may claim the credit based on the partnership's, company's or corporation's activities in proportion to their ownership interest.

SECTION 543. 71.28 (1ds) (d) 1. of the statutes is amended to read:

71.28 **(1ds)** (d) 1. A copy of the claimant's certification for tax benefits under s. 560.765 (3), 2009 stats.

SECTION 544. 71.28 (1ds) (i) of the statutes is amended to read:

71.28 **(1ds)** (i) The development zones credit under this subsection, as it applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts economic activity in a development opportunity zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity zone credit under this paragraph may be calculated using expenses incurred by a claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the area in which the claimant conducts economic activity.

SECTION 545. 71.28 (1dx) (a) 2. of the statutes is amended to read:

71.28 **(1dx)** (a) 2. "Development zone" means a development zone under s. 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s. 560.7995, 2009 stats.

SECTION 546. 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

71.28 **(1dx)** (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable

1 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
2 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
3 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
4 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
5 the taxes otherwise due under this chapter the following amounts:

6 **SECTION 547.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

7 71.28 **(1dx)** (b) 2. The amount determined by multiplying the amount
8 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
9 of full-time jobs created in a development zone and filled by a member of a targeted
10 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
11 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

12 **SECTION 548.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

13 71.28 **(1dx)** (b) 3. The amount determined by multiplying the amount
14 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
15 of full-time jobs created in a development zone and not filled by a member of a
16 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
17 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

18 **SECTION 549.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

19 71.28 **(1dx)** (b) 4. The amount determined by multiplying the amount
20 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
21 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
22 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
23 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
24 and for which significant capital investment was made and by then subtracting the

1 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
2 under s. 49.147 (3m) (c) for those jobs.

3 **SECTION 550.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

4 71.28 **(1dx)** (b) 5. The amount determined by multiplying the amount
5 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
6 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
7 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in
8 a development zone and not filled by a member of a targeted group and by then
9 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
10 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

11 **SECTION 551.** 71.28 (1dx) (be) of the statutes is amended to read:

12 71.28 **(1dx)** (be) *Offset.* A claimant in a development zone under s. 238.395
13 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
14 subsection, including any credits carried over, against the amount of the tax
15 otherwise due under this subchapter attributable to all of the claimant's income and
16 against the tax attributable to income from directly related business operations of
17 the claimant.

18 **SECTION 552.** 71.28 (1dx) (bg) of the statutes is amended to read:

19 71.28 **(1dx)** (bg) *Other entities.* For claimants in a development zone under s.
20 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
21 companies, and tax-option corporations may not claim the credit under this
22 subsection, but the eligibility for, and amount of, that credit shall be determined on
23 the basis of their economic activity, not that of their shareholders, partners, or
24 members. The corporation, partnership, or company shall compute the amount of
25 the credit that may be claimed by each of its shareholders, partners, or members and

shall provide that information to each of its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income.

SECTION 553. 71.28 (1dx) (c) of the statutes is amended to read:

71.28 **(1dx)** (c) *Credit precluded.* If the certification of a person for tax benefits under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this subsection for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years and that person may not carry over unused credits from previous years to offset tax under this chapter for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 554. 71.28 (1dx) (d) of the statutes is amended to read:

71.28 **(1dx)** (d) *Carry-over precluded.* If a person who is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable

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

3 **SECTION 555.** 71.28 (1dy) (a) of the statutes is amended to read:

4 71.28 **(1dy)** (a) *Definition.* In this subsection, "claimant" means a person who
5 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
6 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
7 2009 stats.

8 **SECTION 556.** 71.28 (1dy) (b) of the statutes is amended to read:

9 71.28 **(1dy)** (b) *Filing claims.* Subject to the limitations under this subsection
10 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
11 beginning after December 31, 2008, a claimant may claim as a credit against the tax
12 imposed under s. 71.23, up to the amount of the tax, the amount authorized for the
13 claimant under s. 238.303 or s. 560.703, 2009 stats.

14 **SECTION 557.** 71.28 (1dy) (c) 1. of the statutes is amended to read:

15 71.28 **(1dy)** (c) 1. No credit may be allowed under this subsection unless the
16 claimant includes with the claimant's return a copy of the claimant's certification
17 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice
18 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

19 **SECTION 558.** 71.28 (1dy) (c) 2. of the statutes is amended to read:

20 71.28 **(1dy)** (c) 2. Partnerships, limited liability companies, and tax-option
21 corporations may not claim the credit under this subsection, but the eligibility for,
22 and the amount of, the credit are based on their authorization to claim tax benefits
23 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
24 or tax-option corporation shall compute the amount of credit that each of its
25 partners, members, or shareholders may claim and shall provide that information

1 to each of them. Partners, members of limited liability companies, and shareholders
2 of tax-option corporations may claim the credit in proportion to their ownership
3 interests.

4 **SECTION 559.** 71.28 (1dy) (d) 2. of the statutes is amended to read:

5 71.28 **(1dy)** (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
6 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
7 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
8 subsection for the taxable year that includes the day on which the certification is
9 revoked; the taxable year that includes the day on which the claimant becomes
10 ineligible for tax benefits; or succeeding taxable years and the claimant may not
11 carry over unused credits from previous years to offset the tax imposed under s. 71.23
12 for the taxable year that includes the day on which certification is revoked; the
13 taxable year that includes the day on which the claimant becomes ineligible for tax
14 benefits; or succeeding taxable years.

15 **SECTION 560.** 71.28 (3g) (a) (intro.) of the statutes is amended to read:

16 71.28 **(3g)** (a) (intro.) Subject to the limitations under this subsection and ss.
17 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under
18 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
19 imposed under s. 71.23 an amount equal to the sum of the following, as established
20 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.:

21 **SECTION 561.** 71.28 (3g) (b) of the statutes is amended to read:

22 71.28 **(3g)** (b) The department of revenue shall notify the department of
23 commerce or the Wisconsin Economic Development Corporation of all claims under
24 this subsection.

25 **SECTION 562.** 71.28 (3g) (e) 2. of the statutes is amended to read:

71.28 **(3g)** (e) 2. The investments that relate to the amount described under par. (a) 2. for which a claimant makes a claim under this subsection must be retained for use in the technology zone for the period during which the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

SECTION 563. 71.28 (3g) (f) 1. of the statutes is amended to read:

71.28 **(3g)** (f) 1. A copy of ~~a~~ the verification ~~from the department of commerce~~ that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats., and that the business ~~and the department of commerce have~~ has entered into an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

SECTION 564. 71.28 (3g) (f) 2. of the statutes is amended to read:

71.28 **(3g)** (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation verifying the purchase price of the investment described under par. (a) 2. and verifying that the investment fulfills the requirement under par. (e) 2.

SECTION 565. 71.28 (3p) (b) of the statutes is amended to read:

71.28 **(3p)** (b) *Filing claims.* Subject to the limitations provided in this subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5., for taxable years beginning after December 31, 2006, and before January 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.23, up to the amount of the tax, an amount equal to 10 percent of the amount the claimant paid in the taxable year for dairy manufacturing modernization or expansion related to the claimant's dairy manufacturing operation.

SECTION 566. 71.28 (3p) (c) 2m. a. of the statutes is amended to read:

1 71.28 **(3p)** (c) 2m. a. The maximum amount of the credits that may be claimed
2 under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2007-08 is
3 $600,000, as allocated under s. 560.207, 2009 stats.

4 **SECTION 567.** 71.28 (3p) (c) 2m. b. of the statutes is amended to read:

5 71.28 **(3p)** (c) 2m. b. The maximum amount of the credits that may be claimed
6 by all claimants, other than members of dairy cooperatives, under this subsection
7 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
8 thereafter, is $700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

9 **SECTION 568.** 71.28 (3p) (c) 2m. bm. of the statutes is amended to read:

10 71.28 **(3p)** (c) 2m. bm. The maximum amount of the credits that may be claimed
11 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
12 (3p) in fiscal year 2009-10 is $600,000, as allocated under s. 560.207, 2009 stats., and
13 the maximum amount of the credits that may be claimed by members of dairy
14 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year
15 2010-11, and in each fiscal year thereafter, is $700,000, as allocated under s. 93.535
16 or s. 560.207, 2009 stats.

17 **SECTION 569.** 71.28 (3p) (c) 6. of the statutes is amended to read:

18 71.28 **(3p)** (c) 6. No credit may be allowed under this subsection unless the
19 claimant submits with the claimant's return a copy of the claimant's credit
20 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

21 **SECTION 570.** 71.28 (3q) (a) 1. of the statutes is amended to read:

22 71.28 **(3q)** (a) 1. "Claimant" means a person certified to receive tax benefits
23 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

24 **SECTION 571.** 71.28 (3q) (a) 2. of the statutes is amended to read:

1 71.28 **(3q)** (a) 2. "Eligible employee" means, for taxable years beginning before
2 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
3 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
4 taxable years beginning after December 31, 2010, an eligible employee under s.
5 238.16 (1) (b).

6 **SECTION 572.** 71.28 (3q) (b) (intro.) of the statutes is amended to read:

7 71.28 **(3q)** (b) *Filing claims.* (intro.) Subject to the limitations provided in this
8 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
9 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
10 s. 71.23 any of the following:

11 **SECTION 573.** 71.28 (3q) (b) 1. of the statutes is amended to read:

12 71.28 **(3q)** (b) 1. The amount of wages that the claimant paid to an eligible
13 employee in the taxable year, not to exceed 10 percent of such wages, as determined
14 ~~by the department of commerce~~ under s. 238.16 or s. 560.2055, 2009 stats.

15 **SECTION 574.** 71.28 (3q) (b) 2. of the statutes is amended to read:

16 71.28 **(3q)** (b) 2. The amount of the costs incurred by the claimant in the taxable
17 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
18 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

19 **SECTION 575.** 71.28 (3q) (c) 2. of the statutes is amended to read:

20 71.28 **(3q)** (c) 2. No credit may be allowed under this subsection unless the
21 claimant includes with the claimant's return a copy of the claimant's certification for
22 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

23 **SECTION 576.** 71.28 (3q) (c) 3. of the statutes is amended to read:

24 71.28 **(3q)** (c) 3. The maximum amount of credits that may be awarded under
25 this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January

1, 2010, and ending on June 30, 2013, is $14,500,000, not including the amount of any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

SECTION 577. 71.28 (3r) (b) of the statutes is amended to read:

71.28 **(3r)** (b) *Filing claims.* Subject to the limitations provided in this subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after December 31, 2008, and before January 1, 2017, a claimant may claim as a credit against the taxes imposed under s. 71.23, up to the amount of the tax, an amount equal to 10 percent of the amount the claimant paid in the taxable year for meat processing modernization or expansion related to the claimant's meat processing operation.

SECTION 578. 71.28 (3r) (c) 3. a. of the statutes is amended to read:

71.28 **(3r)** (c) 3. a. The maximum amount of the credits that may be allocated under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009-10 is $300,000, as allocated under s. 560.208, 2009 stats.

SECTION 579. 71.28 (3r) (c) 3. b. of the statutes is amended to read:

71.28 **(3r)** (c) 3. b. The maximum amount of the credits that may be allocated under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010-11, and in each fiscal year thereafter, is $700,000, as allocated under s. 238.19 or s. 560.208, 2009 stats.

SECTION 580. 71.28 (3r) (c) 6. of the statutes is amended to read:

71.28 **(3r)** (c) 6. No credit may be allowed under this subsection unless the claimant submits with the claimant's return a copy of the claimant's credit certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

SECTION 581. 71.28 (3rm) (b) of the statutes is amended to read:

1 71.28 **(3rm)** (b) *Filing claims.* Subject to the limitations provided in this
2 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
3 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
4 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
5 equal to 10 percent of the amount the claimant paid in the taxable year for equipment
6 that is used primarily to harvest or process woody biomass that is used as fuel or as
7 a component of fuel.

8 **SECTION 582.** 71.28 (3rm) (c) 3. of the statutes is amended to read:

9 71.28 **(3rm)** (c) 3. The maximum amount of the credits that may be claimed
10 under this subsection and ss. 71.07 (3rm) and 71.47 (3rm) is $900,000, as allocated
11 under s. 238.21 or s. 560.209, 2009 stats.

12 **SECTION 583.** 71.28 (3rn) (b) of the statutes is amended to read:

13 71.28 **(3rn)** (b) *Filing claims.* Subject to the limitations provided in this
14 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years
15 beginning after December 31, 2009, and before January 1, 2017, a claimant may
16 claim as a credit against the tax imposed under s. 71.23, up to the amount of the tax,
17 an amount equal to 10 percent of the amount the claimant paid in the taxable year
18 for food processing or food warehousing modernization or expansion related to the
19 operation of the claimant's food processing plant or food warehouse.

20 **SECTION 584.** 71.28 (3rn) (c) 3. a. of the statutes is amended to read:

21 71.28 **(3rn)** (c) 3. a. The maximum amount of the credits that may be allocated
22 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is
23 $1,000,000, as allocated under s. 560.2056, 2009 stats.

24 **SECTION 585.** 71.28 (3rn) (c) 3. b. of the statutes is amended to read:

1 71.28 **(3rn)** (c) 3. b. The maximum amount of the credits that may be allocated
2 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is
3 $1,200,000, as allocated under s. 560.2056, 2009 stats.

4 **SECTION 586.** 71.28 (3rn) (c) 3. c. of the statutes is amended to read:

5 71.28 **(3rn)** (c) 3. c. The maximum amount of the credits that may be allocated
6 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and
7 in each year thereafter, is $700,000, as allocated under s. 238.17 or s. 560.2056, 2009
8 stats.

9 **SECTION 587.** 71.28 (3rn) (c) 6. of the statutes is amended to read:

10 71.28 **(3rn)** (c) 6. No credit may be allowed under this subsection unless the
11 claimant submits with the claimant's return a copy of the claimant's credit
12 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

13 **SECTION 588.** 71.28 (3t) (b) of the statutes is amended to read:

14 71.28 **(3t)** (b) *Credit.* Subject to the limitations provided in this subsection and
15 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
16 claimant may claim as a credit, amortized over 15 taxable years starting with the
17 taxable year beginning after December 31, 2007, against the tax imposed under s.
18 71.23, up to the amount of the tax, an amount equal to the claimant's unused credits
19 under s. 71.28 (3).

20 **SECTION 589.** 71.28 (3t) (c) 1. of the statutes is amended to read:

21 71.28 **(3t)** (c) 1. No credit may be claimed under this subsection unless the
22 claimant submits with the claimant's return a copy of the claimant's certification by
23 the department of commerce under s. 560.28, 2009 stats., except that, with regard
24 to credits claimed by partners of a partnership, members of a limited liability
25 company, or shareholders of a tax-option corporation, the entity shall provide a copy

of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder to submit with his or her return.

SECTION 590. 71.28 (3w) (a) 2. of the statutes is amended to read:

71.28 **(3w)** (a) 2. "Claimant" means a person who is certified to claim tax benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under this subsection.

SECTION 591. 71.28 (3w) (a) 3. of the statutes is amended to read:

71.28 **(3w)** (a) 3. "Full-time employee" means a full-time employee, as defined in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

SECTION 592. 71.28 (3w) (a) 4. of the statutes is amended to read:

71.28 **(3w)** (a) 4. "Enterprise zone" means a zone designated under s. 238.399 or s. 560.799, 2009 stats.

SECTION 593. 71.28 (3w) (a) 5d. of the statutes is amended to read:

71.28 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats.

SECTION 594. 71.28 (3w) (a) 5e. of the statutes is amended to read:

71.28 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s. 560.799, 2009 stats.

SECTION 595. 71.28 (3w) (b) (intro.) of the statutes is amended to read:

71.28 **(3w)** (b) *Filing claims; payroll.* (intro.) Subject to the limitations provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.23 an amount calculated as follows:

1 **SECTION 596.** 71.28 (3w) (b) 5. of the statutes is amended to read:

2 71.28 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the
3 percentage determined ~~by the department of commerce~~ under s. 238.399 or s.
4 560.799, 2009 stats., not to exceed 7 percent.

5 **SECTION 597.** 71.28 (3w) (bm) 1. of the statutes is amended to read:

6 71.28 **(3w)** (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
7 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
8 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
9 s. 71.23 an amount equal to a percentage, as determined ~~by the department of~~
10 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
11 the amount the claimant paid in the taxable year to upgrade or improve the
12 job-related skills of any of the claimant's full-time employees, to train any of the
13 claimant's full-time employees on the use of job-related new technologies, or to
14 provide job-related training to any full-time employee whose employment with the
15 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.

17 **SECTION 598.** 71.28 (3w) (bm) 2. of the statutes is amended to read:

18 71.28 **(3w)** (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
19 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
20 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
21 s. 71.23 an amount equal to the percentage, as determined ~~by the department of~~
22 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the
23 claimant's zone payroll paid in the taxable year to all of the claimant's full-time
24 employees whose annual wages are greater than $20,000 in a tier I county or
25 municipality, not including the wages paid to the employees determined under par.

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

SECTION 599. 71.28 (3w) (bm) 3. of the statutes is amended to read:

71.28 **(3w)** (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and 4., and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant may claim as a credit against the tax imposed under s. 71.23 up to 10 percent of the claimant's significant capital expenditures, as determined ~~by the department of commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

SECTION 600. 71.28 (3w) (bm) 4. of the statutes is amended to read:

71.28 **(3w)** (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and 3., and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant may claim as a credit against the tax imposed under s. 71.23, up to 1 percent of the amount that the claimant paid in the taxable year to purchase tangible personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors, as determined ~~by the department of commerce~~ under s. 238.399 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the credit under this subdivision and subd. 3. for the same expenditures.

SECTION 601. 71.28 (3w) (c) 3. of the statutes is amended to read:

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. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

SECTION 602. 71.28 (3w) (d) of the statutes is amended to read:

71.28 **(3w)** (d) *Administration.* Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies to the credit under this subsection. Claimants shall include with their returns a copy of their certification for tax benefits, and a copy of the verification of their expenses, from the department of commerce or the Wisconsin Economic Development Corporation.

SECTION 603. 71.28 (4) (am) 1. of the statutes is amended to read:

71.28 **(4)** (am) 1. In addition to the credit under par. (ad), any corporation may credit against taxes otherwise due under this chapter an amount equal to 5 percent of the amount obtained by subtracting from the corporation's qualified research expenses, as defined in section 41 of the Internal Revenue Code, except that "qualified research expenses" include only expenses incurred by the claimant in a development zone under subch. II of ch. 238 or subch. VI of ch. 560, 2009 stats., except that a taxpayer may elect the alternative computation under section 41 (c) (4) of the Internal Revenue Code and that election applies until the department permits its revocation and except that "qualified research expenses" do not include compensation used in computing the credit under sub. (1dj) nor research expenses incurred before the claimant is certified for tax benefits under s. 238.365 (3) or s. 560.765 (3), 2009 stats., the corporation's base amount, as defined in section 41 (c) of the Internal Revenue Code, in a development zone, except that gross receipts used in calculating the base amount means gross receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and

1 (dk) and research expenses used in calculating the base amount include research
2 expenses incurred before the claimant is certified for tax benefits under s. 238.365
3 (3) or s. 560.765 (3), 2009 stats., in a development zone, if the claimant submits with
4 the claimant's return a copy of the claimant's certification for tax benefits under s.
5 238.365 (3) or s. 560.765 (3), 2009 stats., and a statement from the department of
6 commerce or the Wisconsin Economic Development Corporation verifying the
7 claimant's qualified research expenses for research conducted exclusively in a
8 development zone. The rules under s. 73.03 (35) apply to the credit under this
9 subdivision. The rules under sub. (1di) (f) and (g) as they apply to the credit under
10 that subsection apply to claims under this subdivision. Section 41 (h) of the Internal
11 Revenue Code does not apply to the credit under this subdivision.

12 **SECTION 604.** 71.28 (4) (am) 2. of the statutes is amended to read:

13 71.28 **(4)** (am) 2. The development zones credit under subd. 1., as it applies to
14 a person certified under s. 238.365 (3) or s. 560.765 (3), 2009 stats., applies to a
15 corporation that conducts economic activity in a development opportunity zone
16 under s. 238.395 (1) or s. 560.795 (1), 2009 stats., and that is entitled to tax benefits
17 under s. 238.395 (3) or s. 560.795 (3), 2009 stats., subject to the limits under s.
18 238.395 (2) or s. 560.795 (2), 2009 stats. A development opportunity zone credit
19 under this subdivision may be calculated using expenses incurred by a claimant
20 beginning on the effective date under s. 238.395 (2) (a) or s. 560.795 (2) (a), 2009
21 stats., of the development opportunity zone designation of the area in which the
22 claimant conducts economic activity.

23 **SECTION 605.** 71.28 (5b) (a) 2. of the statutes is amended to read:

24 71.28 **(5b)** (a) 2. "Fund manager" means an investment fund manager certified
25 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.