



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX - **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 03/04/2011 (Per: CMH)

A ➡ The 2011 drafting file for LRB-0805

B ➡ The 2011 drafting file for LRB-0808

C ➡ The 2011 drafting file for LRB-1059

D ➡ The 2011 drafting file for LRB-1369

➡ Compile Draft – Appendix C ... segment XII

has been tranfered to the drafting file for

2011 LRB-1465*

* One of the compile drafts used in the creation of AB 40 & SB 27 (2011 Budget Bill)

Pt.
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1 71.28 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
2 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,
3 to claim tax benefits, any person may claim as a credit against taxes otherwise due
4 under this chapter 2.5% of the purchase price of depreciable, tangible personal
5 property, or 1.75% of the purchase price of depreciable, tangible personal property
6 that is expensed under section 179 of the internal revenue code for purposes of the
7 taxes under this chapter, except that:

8 **SECTION 216.** 71.28 (1di) (a) 1. of the statutes is amended to read:

9 71.28 (1di) (a) 1. The investment must be in property that is purchased after
10 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
11 is used for at least 50% of its use in the conduct of the person's business operations
12 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the
13 property is mobile, the base of operations of the property for at least 50% of its use
14 must be a location in a development zone.

15 **SECTION 217.** 71.28 (1di) (b) 2. of the statutes is amended to read:

16 71.28 (1di) (b) 2. If the claimant is located on an Indian reservation, as defined
17 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
18 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
19 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
20 under this subsection exceeds the taxes otherwise due under this chapter on or
21 measured by the claimant's income, the amount of the credit not used as an offset
22 against those taxes shall be certified to the department of administration for
23 payment to the claimant by check, share draft or other draft.

24 **SECTION 218.** 71.28 (1di) (b) 3. of the statutes is amended to read:

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

18 **SECTION 219.** 71.28 (1di) (d) 1. of the statutes is amended to read:

19 71.28 (1di) (d) 1. A copy of a verification from the department of commerce that
20 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

21 **SECTION 220.** 71.28 (1di) (f) of the statutes is amended to read:

22 71.28 (1di) (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
23 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
24 credits under this subsection for the taxable year that includes the day on which the
25 person becomes ineligible for tax benefits or succeeding taxable years and that

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

4 **SECTION 221.** 71.28 (1di) (g) of the statutes is amended to read:

5 71.28 (1di) (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
6 claim tax benefits ceases business operations in the development zone during any of
7 the taxable years that that zone exists, that person may not carry over to any taxable
8 year following the year during which operations cease any unused credits from the
9 taxable year during which operations cease or from previous taxable years.

10 **SECTION 222.** 71.28 (1di) (i) of the statutes is amended to read:

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

20 **SECTION 223.** 71.28 (1dj) (am) (intro.) of the statutes is amended to read:

21 71.28 (1dj) (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
22 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
23 for tax benefits, any person may claim as a credit against taxes otherwise due under
24 this chapter an amount calculated as follows:

25 **SECTION 224.** 71.28 (1dj) (am) 4. a. of the statutes is amended to read:

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

8 **SECTION 225.** 71.28 (1dj) (am) 4. b. of the statutes is amended to read:

9 71.28 (1dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
10 benefits after December 31, 1991, modify “qualified wages” as defined in section 51
11 (b) of the internal revenue code to exclude wages paid before the claimant is certified
12 for tax benefits and to exclude wages that are paid to employees for work at any
13 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
14 purposes of this subd. 4. b., mobile employees and leased or rented employees work
15 at their base of operations.

16 **SECTION 226.** 71.28 (1dj) (am) 4c. of the statutes is amended to read:

17 71.28 (1dj) (am) 4c. Modify the rule for ineligible individuals under section 51
18 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
19 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
20 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
21 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

22 **SECTION 227.** 71.28 (1dj) (am) 4t. of the statutes is amended to read:

23 71.28 (1dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
24 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
25 for leased or rented employees, except employees of a leasing agency certified for tax

1 benefits who perform services directly for the agency in a development zone, the
2 minimum employment periods apply to the time that they perform services in a
3 development zone for a single lessee or renter, not to their employment by the leasing
4 agency.

5 **SECTION 228.** 71.28 (1dj) (e) 1. of the statutes is amended to read:

6 71.28 (1dj) (e) 1. A copy of the claimant's certification for tax benefits under s.
7 560.765 (3), 2009 stats.

8 **SECTION 229.** 71.28 (1dj) (e) 3. a. of the statutes is amended to read:

9 71.28 (1dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
10 before January 1, 1992, a statement from the department of commerce verifying the
11 amount of qualifying wages and verifying that the employees were hired for work
12 only in a development zone or are mobile employees whose base of operations is in
13 a development zone.

14 **SECTION 230.** 71.28 (1dj) (e) 3. b. of the statutes is amended to read:

15 71.28 (1dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
16 after December 31, 1991, 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 or leased or rented employees
19 whose base of operations is in a development zone.

20 **SECTION 231.** 71.28 (1dj) (i) of the statutes is amended to read:

21 71.28 (1dj) (i) The development zones credit under this subsection, as it applies
22 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
23 conducts economic activity in a development opportunity zone under s. 560.795 (1),
24 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
25 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity

1 zone credit under this paragraph may be calculated using expenses incurred by a
2 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
3 development opportunity zone designation of the area in which the claimant
4 conducts economic activity.

5 **SECTION 232.** 71.28 (1dL) (a) of the statutes is amended to read:

6 71.28 (1dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
7 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009
8 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
9 under this subchapter an amount equal to 2.5% of the amount expended by that
10 person to acquire, construct, rehabilitate or repair real property in a development
11 zone under subch. VI of ch. 560, 2009 stats.

12 **SECTION 233.** 71.28 (1dL) (ag) of the statutes is amended to read:

13 71.28 (1dL) (ag) If the credit under par. (a) is claimed for an amount expended
14 to construct, rehabilitate, remodel or repair property, the claimant must have begun
15 the physical work of construction, rehabilitation, remodeling or repair, or any
16 demolition or destruction in preparation for the physical work, after the place where
17 the property is located was designated a development zone under s. 560.71, 2009
18 stats., and the completed project must be placed in service after the claimant is
19 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, "physical
20 work" does not include preliminary activities such as planning, designing, securing
21 financing, researching, developing specifications or stabilizing the property to
22 prevent deterioration.

23 **SECTION 234.** 71.28 (1dL) (ar) of the statutes is amended to read:

24 71.28 (1dL) (ar) If the credit under par. (a) is claimed for an amount expended
25 to acquire property, the property must have been acquired by the claimant after the

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

9 **SECTION 235.** 71.28 (1dL) (bm) of the statutes is amended to read:

10 71.28 (1dL) (bm) In calculating the credit under par. (a) a claimant shall reduce
11 the amount expended to acquire property by a percentage equal to the percentage of
12 the area of the real property not used for the purposes for which the claimant is
13 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
14 amount expended for other purposes by the amount expended on the part of the
15 property not used for the purposes for which the claimant is certified to claim tax
16 benefits under s. 560.765 (3), 2009 stats.

17 **SECTION 236.** 71.28 (1dL) (c) of the statutes is amended to read:

18 71.28 (1dL) (c) If the claimant is located on an Indian reservation, as defined
19 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
20 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
21 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
22 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
23 the claimant's income, the amount of the credit not used as an offset against those
24 taxes shall be certified to the department of administration for payment to the
25 claimant by check, share draft or other draft.

1 **SECTION 237.** 71.28 (1dL) (i) of the statutes is amended to read:

2 71.28 (1dL) (i) The development zones credit under this subsection, as it
3 applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation
4 that conducts economic activity in a development opportunity zone under s. 560.795
5 (1), 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 238.** 71.28 (1dm) (a) 1. of the statutes is amended to read:

12 71.28 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or
13 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
14 560.795 (5), 2009 stats., 238.398 (3), 560.798 (3), 2009 stats., 238.3995 (4) or
15 560.7995 (4), 2009 stats.

16 **SECTION 239.** 71.28 (1dm) (a) 3. of the statutes is amended to read:

17 71.28 (1dm) (a) 3. "Development zone" means a development opportunity zone
18 under s. 238.395 (1) (e) and (f), 238.398 (3), or 560.795 (1) (e) and (f), 2009 stats., or
19 560.798, 2009 stats., or an airport development zone under s. 238.3995 or 560.7995,
20 2009 stats.

21 **SECTION 240.** 71.28 (1dm) (f) 1. of the statutes is amended to read:

22 71.28 (1dm) (f) 1. A copy of ~~a~~ the verification from the department of commerce
23 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or 560.795 (3) (a)
24 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), 238.3995 (4), 560.795
25 (5), 2009 stats., 560.798 (3), 2009 stats., or 560.7995 (4), 2009 stats.

1 **SECTION 241.** 71.28 (1dm) (i) of the statutes is amended to read:

2 71.28 **(1dm)** (i) Partnerships, limited liability companies, and tax-option
3 corporations may not claim the credit under this subsection, but the eligibility for,
4 and the amount of, that credit shall be determined on the basis of their economic
5 activity, not that of their shareholders, partners, or members. The corporation,
6 partnership, or limited liability company shall compute the amount of credit that
7 may be claimed by each of its shareholders, partners, or members and provide that
8 information to its shareholders, partners, or members. Partners, members of limited
9 liability companies, and shareholders of tax-option corporations may claim the
10 credit based on the partnership's, company's, or corporation's activities in proportion
11 to their ownership interest and may offset it against the tax attributable to their
12 income from the partnership's, company's, or corporation's business operations in the
13 development zone; except that partners, members, and shareholders in a
14 development zone under s. 238.395 (1) (e) or ^{S.}560.795 (1) (e), 2009 stats., may offset
15 the credit against the amount of the tax attributable to their income.

16 **SECTION 242.** 71.28 (1dm) (j) of the statutes is amended to read:

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

1 becomes ineligible for tax benefits, the taxable year that includes the day on which
2 the certification is revoked, or succeeding taxable years.

3 **SECTION 243.** 71.28 (1dm) (k) of the statutes is amended to read:

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

11 **SECTION 244.** 71.28 (1ds) (a) 1. of the statutes is amended to read:

12 71.28 (1ds) (a) 1. "Development zone" means a zone designated under s. 560.71,
13 2009 stats.

14 **SECTION 245.** 71.28 (1ds) (b) of the statutes is amended to read:

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

1 members of limited liability companies and shareholders of tax-option corporations
2 may claim the credit based on the partnership's, company's or corporation's activities
3 in proportion to their ownership interest.

4 **SECTION 246.** 71.28 (1ds) (d) 1. of the statutes is amended to read:

5 71.28 (1ds) (d) 1. A copy of the claimant's certification for tax benefits under
6 s. 560.765 (3), 2009 stats.

7 **SECTION 247.** 71.28 (1ds) (i) of the statutes is amended to read:

8 71.28 (1ds) (i) The development zones credit under this subsection, as it applies
9 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
10 conducts economic activity in a development opportunity zone under s. 560.795 (1),
11 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 248.** 71.28 (1dx) (a) 2. of the statutes is amended to read:

18 71.28 (1dx) (a) 2. "Development zone" means a development zone under s.
19 238.30 or ^{S.} 560.70, 2009 stats., a development opportunity zone under s. 238.395 or ^{S.} 560.795,
20 2009 stats., an enterprise development zone under s. 238.397 or ^{S.} 560.797,
21 2009 stats., an agricultural development zone under s. 238.398 or ^{S.} 560.798, 2009
22 stats., or an airport development zone under s. 238.3995 or ^{S.} 560.7995, 2009 stats.

23 **SECTION 249.** 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

24 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
25 in s. 73.03 (35), and subject to s. 238.385 or ^{S.} 560.785, 2009 stats., for any taxable year

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

6 **SECTION 250.** 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 of
 9 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 251.** 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 of
 15 full-time jobs created in a development zone and not filled by a member of a targeted
 16 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
 17 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

18 **SECTION 252.** 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 number
 21 of full-time jobs retained, as provided in the rules under s. 238.385 or ^{S.} 560.785, 2009
 22 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an
 23 enterprise development zone under s. 238.397 or ^{S.} 560.797, 2009 stats., and for which
 24 significant capital investment was made and by then subtracting the subsidies paid

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

3 **SECTION 253.** 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 of
6 full-time jobs retained, as provided in the rules under s. 238.385 or ^{S.}560.785, 2009
7 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a
8 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 254.** 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 255.** 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

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

6 **SECTION 256.** 71.28 (1dx) (c) of the statutes is amended to read:

7 71.28 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
 8 under s. 238.365 (3), 238.397 (4), 238.398 (3), ^{or} 238.3995 (4), ^{or s.} 560.765 (3), 2009 stats., ^{s.}
 9 560.797 (4), 2009 stats., ^{s.} 560.798 (3), 2009 stats., or ^{s.} 560.7995 (4), 2009 stats., is
 10 revoked, or if the person becomes ineligible for tax benefits under s. 238.395 (3) or ^{s.}
 11 560.795 (3), 2009 stats., that person may not claim credits under this subsection for
 12 the taxable year that includes the day on which the certification is revoked; the
 13 taxable year that includes the day on which the person becomes ineligible for tax
 14 benefits; or succeeding taxable years and that person may not carry over unused
 15 credits from previous years to offset tax under this chapter for the taxable year that
 16 includes the day on which certification is revoked; the taxable year that includes the
 17 day on which the person becomes ineligible for tax benefits; or succeeding taxable
 18 years.

19 **SECTION 257.** 71.28 (1dx) (d) of the statutes is amended to read:

20 71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
 21 238.395 (3) or ^{s.} 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
 22 238.365 (3), 238.397 (4), 238.398 (3), ^{or} 238.3995 (4), ^{or s.} 560.765 (3), 2009 stats., ^{s.}
 23 560.797 (4), 2009 stats., ^{s.} 560.798 (3), 2009 stats., or ^{s.} 560.7995 (4), 2009 stats., for tax benefits
 24 ceases business operations in the development zone during any of the taxable years
 25 that that zone exists, that person may not carry over to any taxable year following

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

3 **SECTION 258.** 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 (2),
6 2009 stats., and authorized to claim tax benefits under s. 238.303 or ^{S.} 560.703, 2009
7 stats.

8 **SECTION 259.** 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 260.** 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 261.** 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, or
24 tax-option corporation shall compute the amount of credit that each of its partners,
25 members, or shareholders may claim and shall provide that information to each of

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

4 **SECTION 262.** 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 263.** 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 s.
18 238.23 (3) or ^{S.} 560.96 (3), 2009 stats., may claim as a credit against the taxes imposed
19 under s. 71.23 an amount equal to the sum of the following, as established under s.
20 238.23 (3) (c) or ^{S.} 560.96 (3) (c), 2009 stats.:

21 **SECTION 264.** 71.28 (3g) (e) 2. of the statutes is amended to read:

22 71.28 (3g) (e) 2. The investments that relate to the amount described under par.
23 (a) 2. for which a claimant makes a claim under this subsection must be retained for
24 use in the technology zone for the period during which the claimant's business is
25 certified under s. 238.23 (3) or ^{S.} 560.96 (3), 2009 stats.

1 SECTION 265. 71.28 (3g) (f) 1. of the statutes is amended to read:

2 71.28 (3g) (f) 1. A copy of ~~a~~ ^{the} verification ~~from the department of commerce~~ that
3 the claimant's business is certified under s. 238.23 (3) or ^{S.} 560.96 (3), 2009 stats., and
4 that the business ~~and the department of commerce~~ have has entered into an
5 agreement under s. 238.23 (3) (d) or ^{S.} 560.96 (3) (d), 2009 stats.

6 SECTION 266. 71.28 (3p) (b) of the statutes is amended to read:

7 71.28 (3p) (b) *Filing claims.* Subject to the limitations provided in this
8 subsection and s. 238.18 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
9 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
10 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the
11 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
12 in the taxable year for dairy manufacturing modernization or expansion related to
13 the claimant's dairy manufacturing operation.

14 SECTION 267. 71.28 (3p) (c) 2m. a. of the statutes is amended to read:

15 71.28 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
16 under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2007-08 is
17 \$600,000, as allocated under s. 560.207, 2009 stats.

18 SECTION 268. 71.28 (3p) (c) 2m. b. of the statutes is amended to read:

19 71.28 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
20 by all claimants, other than members of dairy cooperatives, under this subsection
21 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
22 thereafter, is \$700,000, as allocated under s. 238.18 or s. 560.207, 2009 stats.

23 SECTION 269. 71.28 (3p) (c) 2m. bm. of the statutes is amended to read:

24 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
25 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47

1 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
2 the maximum amount of the credits that may be claimed by members of dairy
3 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year
4 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 238.18
5 or s. 560.207, 2009 stats.

6 SECTION 270. 71.28 (3p) (c) 6. of the statutes is amended to read:

7 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
8 claimant submits with the claimant's return a copy of the claimant's credit
9 certification and allocation under s. 238.18 or s. 560.207, 2009 stats.

10 SECTION 271. 71.28 (3q) (a) 1. of the statutes is amended to read:

11 71.28 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
12 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats. *for taxable years beginning*
13 *before January 1, 2011*

14 SECTION 272. 71.28 (3q) (a) 2. of the statutes is amended to read:

15 71.28 (3q) (a) 2. "Eligible employee" means *an* eligible employee under s.
16 238.16 (1) (b) or s. 560.2055 (1) (b), 2009 stats., who satisfies the wage requirements
under s. 238.16 (3) (a) or (b) or s. 560.2055 (3) (a) or (b), 2009 stats.

17 SECTION 273. 71.28 (3q) (b) (intro.) of the statutes is amended to read:

18 71.28 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
19 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
20 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
21 s. 71.23 any of the following:

22 SECTION 274. 71.28 (3q) (b) 1. of the statutes is amended to read:

23 71.28 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
24 employee in the taxable year, not to exceed 10 percent of such wages, as determined
25 ~~by the department of commerce~~ under s. 238.16 or s. 560.2055, 2009 stats.

for taxable years beginning after December 31, 2010
an eligible employee under s. 238.16 (1) (b)

1 **SECTION 275.** 71.28 (3q) (b) 2. of the statutes is amended to read:

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

5 **SECTION 276.** 71.28 (3q) (c) 2. of the statutes is amended to read:

6 71.28 **(3q)** (c) 2. No credit may be allowed under this subsection unless the
7 claimant includes with the claimant's return a copy of the claimant's certification for
8 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

9 **SECTION 277.** 71.28 (3q) (c) 3. of the statutes is amended to read:

10 71.28 **(3q)** (c) 3. The maximum amount of credits that may be awarded under
11 this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January
12 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
13 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

14 **SECTION 278.** 71.28 (3r) (b) of the statutes is amended to read:

15 71.28 **(3r)** (b) *Filing claims.* Subject to the limitations provided in this
16 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
17 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
18 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
19 equal to 10 percent of the amount the claimant paid in the taxable year for meat
20 processing modernization or expansion related to the claimant's meat processing
21 operation.

22 **SECTION 279.** 71.28 (3r) (c) 3. a. of the statutes is amended to read:

23 71.28 **(3r)** (c) 3. a. The maximum amount of the credits that may be allocated
24 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009-10 is
25 \$300,000, as allocated under s. 560.208, 2009 stats.

1 **SECTION 280.** 71.28 (3r) (c) 3. b. of the statutes is amended to read:

2 71.28 **(3r)** (c) 3. b. The maximum amount of the credits that may be allocated
3 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010-11, and in
4 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
5 2009 stats.

6 **SECTION 281.** 71.28 (3r) (c) 6. of the statutes is amended to read:

7 71.28 **(3r)** (c) 6. No credit may be allowed under this subsection unless the
8 claimant submits with the claimant's return a copy of the claimant's credit
9 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

10 **SECTION 282.** 71.28 (3rm) (b) of the statutes is amended to read:

11 71.28 **(3rm)** (b) *Filing claims.* Subject to the limitations provided in this
12 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
13 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
14 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
15 equal to 10 percent of the amount the claimant paid in the taxable year for equipment
16 that is used primarily to harvest or process woody biomass that is used as fuel or as
17 a component of fuel.

18 **SECTION 283.** 71.28 (3rm) (c) 3. of the statutes is amended to read:

19 71.28 **(3rm)** (c) 3. The maximum amount of the credits that may be claimed
20 under this subsection and ss. 71.07 (3rm) and 71.47 (3rm) is \$900,000, as allocated
21 under s. 238.21 or s. 560.209, 2009 stats.

22 **SECTION 284.** 71.28 (3rn) (b) of the statutes is amended to read:

23 71.28 **(3rn)** (b) *Filing claims.* Subject to the limitations provided in this
24 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years
25 beginning after December 31, 2009, and before January 1, 2017, a claimant may

1 claim as a credit against the tax imposed under s. 71.23, up to the amount of the tax,
2 an amount equal to 10 percent of the amount the claimant paid in the taxable year
3 for food processing or food warehousing modernization or expansion related to the
4 operation of the claimant's food processing plant or food warehouse.

5 **SECTION 285.** 71.28 (3rn) (c) 3. a. of the statutes is amended to read:

6 71.28 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated
7 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is
8 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

9 **SECTION 286.** 71.28 (3rn) (c) 3. b. of the statutes is amended to read:

10 71.28 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
11 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is
12 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

13 **SECTION 287.** 71.28 (3rn) (c) 3. c. of the statutes is amended to read:

14 71.28 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
15 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and
16 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009
17 stats.

18 **SECTION 288.** 71.28 (3rn) (c) 6. of the statutes is amended to read:

19 71.28 (3rn) (c) 6. No credit may be allowed under this subsection unless the
20 claimant submits with the claimant's return a copy of the claimant's credit
21 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

22 **SECTION 289.** 71.28 (3t) (b) of the statutes is amended to read:

23 71.28 (3t) (b) *Credit.* Subject to the limitations provided in this subsection and
24 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
25 claimant may claim as a credit, amortized over 15 taxable years starting with the

1 taxable year beginning after December 31, 2007, against the tax imposed under s.
2 71.23, up to the amount of the tax, an amount equal to the claimant's unused credits
3 under s. 71.28 (3).

4 **SECTION 290.** 71.28 (3t) (c) 1. of the statutes is amended to read:

5 71.28 (3t) (c) 1. No credit may be claimed under this subsection unless the
6 claimant submits with the claimant's return a copy of the claimant's certification by
7 the department of commerce under s. 560.28, 2009 stats., except that, with regard
8 to credits claimed by partners of a partnership, members of a limited liability
9 company, or shareholders of a tax-option corporation, the entity shall provide a copy
10 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
11 to submit with his or her return.

12 **SECTION 291.** 71.28 (3w) (a) 2. of the statutes is amended to read:

13 71.28 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
14 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
15 this subsection.

16 **SECTION 292.** 71.28 (3w) (a) 3. of the statutes is amended to read:

17 71.28 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
18 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

19 **SECTION 293.** 71.28 (3w) (a) 4. of the statutes is amended to read:

20 71.28 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
21 or s. 560.799, 2009 stats.

22 **SECTION 294.** 71.28 (3w) (a) 5d. of the statutes is amended to read:

23 71.28 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
24 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
25 560.799, 2009 stats.

1 SECTION 295. 71.28 (3w) (a) 5e. of the statutes is amended to read:

2 71.28 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
3 municipality, as determined by the department of commerce under s. 238.399 or s.
4 560.799, 2009 stats.

5 SECTION 296. 71.28 (3w) (b) (intro.) of the statutes is amended to read:

6 71.28 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
7 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
8 claim as a credit against the tax imposed under s. 71.23 an amount calculated as
9 follows:

10 SECTION 297. 71.28 (3w) (b) 5. of the statutes is amended to read:

11 71.28 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
12 percentage determined by the department of commerce under s. 238.399 or s.
13 560.799, 2009 stats., not to exceed 7 percent.

14 SECTION 298. 71.28 (3w) (bm) 1. of the statutes is amended to read:

15 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
16 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
17 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
18 s. 71.23 an amount equal to a percentage, as determined by the department of
19 ~~commerce~~, not to exceed 100 percent, of the amount the claimant paid in the taxable
20 year to upgrade or improve the job-related skills of any of the claimant's full-time
21 employees, to train any of the claimant's full-time employees on the use of
22 job-related new technologies, or to provide job-related training to any full-time
23 employee whose employment with the claimant represents the employee's first
24 full-time job. This subdivision does not apply to employees who do not work in an
25 enterprise zone.

under s. 238.399 or s. 560.799
2009 stats.

1 **SECTION 299.** 71.28 (3w) (bm) 2. of the statutes is amended to read:

2 71.28 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
3 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
4 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
5 s. 71.23 an amount equal to the percentage, as determined ~~by the department of~~
6 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the
7 claimant's zone payroll paid in the taxable year to all of the claimant's full-time
8 employees whose annual wages are greater than \$20,000 in a tier I county or
9 municipality, not including the wages paid to the employees determined under par.
10 (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the
11 wages paid to the employees determined under par. (b) 1., and who the claimant
12 employed in the enterprise zone in the taxable year, if the total number of such
13 employees is equal to or greater than the total number of such employees in the base
14 year. A claimant may claim a credit under this subdivision for no more than 5
15 consecutive taxable years.

16 **SECTION 300.** 71.28 (3w) (bm) 3. of the statutes is amended to read:

17 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
18 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
19 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
20 may claim as a credit against the tax imposed under s. 71.23 up to 10 percent of the
21 claimant's significant capital expenditures, as determined ~~by the department of~~
22 ~~commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

23 **SECTION 301.** 71.28 (3w) (bm) 4. of the statutes is amended to read:

24 71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
25 3., and subject to the limitations provided in this subsection and s. 238.399 or s.

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

8 **SECTION 302.** 71.28 (3w) (c) 3. of the statutes is amended to read:

9 71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the
10 claimant includes with the claimant's return a copy of the claimant's certification for
11 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

12 **SECTION 303.** 71.28 (4) (am) 1. of the statutes is amended to read:

13 71.28 (4) (am) 1. In addition to the credit under par. (ad), any corporation may
14 credit against taxes otherwise due under this chapter an amount equal to 5 percent
15 of the amount obtained by subtracting from the corporation's qualified research
16 expenses, as defined in section 41 of the Internal Revenue Code, except that
17 "qualified research expenses" include only expenses incurred by the claimant in a
18 development zone under subch. VI of ch. 560, 2009 stats., except that a taxpayer may
19 elect the alternative computation under section 41 (c) (4) of the Internal Revenue
20 Code and that election applies until the department permits its revocation and
21 except that "qualified research expenses" do not include compensation used in
22 computing the credit under sub. (1dj) nor research expenses incurred before the
23 claimant is certified for tax benefits under s. 238.365 (3) or s. 560.765 (3), 2009 stats.,
24 the corporation's base amount, as defined in section 41 (c) of the Internal Revenue
25 Code, in a development zone, except that gross receipts used in calculating the base

subch. II of ch. 238 or

or the Wisconsin Economic Development Corporation

1 amount means gross receipts from sales attributable to Wisconsin under s. 71.25 (9)
2 (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and (dk) and research expenses used
3 in calculating the base amount include research expenses incurred before the
4 claimant is certified for tax benefits under s. 238.365 (3) or s. 560.765 (3), 2009 stats.,
5 in a development zone, if the claimant submits with the claimant's return a copy of
6 the claimant's certification for tax benefits under s. 238.365 (3) or s. 560.765 (3), 2009
7 stats., and a statement from the department of commerce verifying the claimant's
8 qualified research expenses for research conducted exclusively in a development
9 zone. The rules under s. 73.03 (35) apply to the credit under this subdivision. The
10 rules under sub. (1d) (f) and (g) as they apply to the credit under that subsection
11 apply to claims under this subdivision. Section 41 (h) of the Internal Revenue Code
12 does not apply to the credit under this subdivision.

13 SECTION 304. 71.28 (4) (am) 2. of the statutes is amended to read:

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

24 SECTION 305. 71.28 (5b) (a) 2. of the statutes is amended to read:

1 71.28 (5b) (a) 2. "Fund manager" means an investment fund manager certified
2 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

3 **SECTION 306.** 71.28 (5b) (b) 1. of the statutes is amended to read:

4 71.28 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
5 to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009
6 stats., and except as provided in subd. 2., a claimant may claim as a credit against
7 the tax imposed under s. 71.23, up to the amount of those taxes, 25 percent of the
8 claimant's investment paid to a fund manager that the fund manager invests in a
9 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

10 **SECTION 307.** 71.28 (5i) (c) 1. of the statutes is amended to read:

11 71.28 (5i) (c) 1. The maximum amount of the credits that may be claimed under
12 this subsection and ss. 71.07 (5i) and 71.47 (5i) in a taxable year is \$10,000,000, as
13 allocated under s. 238.14 or s. 560.204, 2009 stats.

14 **SECTION 308.** 71.47 (1dd) (b) of the statutes is amended to read:

15 71.47 (1dd) (b) Except as provided in s. 73.03 (35), for any taxable year for
16 which that person is certified under s. 560.765 (3), 2009 stats., and begins business
17 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified
18 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified
19 or entitled a person may credit against taxes otherwise due under this subchapter
20 employment-related day care expenses, up to \$1,200 for each qualifying individual.

21 **SECTION 309.** 71.47 (1de) (a) (intro.) of the statutes is amended to read:

22 71.47 (1de) (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year
23 for which a person is certified under s. 560.765 (3), 2009 stats., and begins business
24 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified
25 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified

1 or entitled the person may claim as a credit against taxes otherwise due under this
2 subchapter an amount equal to 7.5% of the amount that the person expends to
3 remove or contain environmental pollution, as defined in s. 299.01 (4), in the zone or
4 to restore soil or groundwater that is affected by environmental pollution, as defined
5 in s. 299.01 (4), in the zone if the person fulfills all of the following requirements:

6 **SECTION 310.** 71.47 (1de) (a) 1. of the statutes is amended to read:

7 71.47 (1de) (a) 1. Begins the work, other than planning and investigating, for
8 which the credit is claimed after the area that includes the site where the work is
9 done is designated a development zone under s. 560.71, 2009 stats., or an enterprise
10 development zone under s. 560.797, 2009 stats., and after the claimant is certified
11 under s. 560.765 (3), 2009 stats., or certified under s. 560.797 (4) (a), 2009 stats.

12 **SECTION 311.** 71.47 (1di) (a) (intro.) of the statutes is amended to read:

13 71.47 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
14 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,
15 to claim tax benefits, any person may claim as a credit against taxes otherwise due
16 under this chapter 2.5% of the purchase price of depreciable, tangible personal
17 property, or 1.75% of the purchase price of depreciable, tangible personal property
18 that is expensed under section 179 of the internal revenue code for purposes of the
19 taxes under this chapter, except that:

20 **SECTION 312.** 71.47 (1di) (a) 1. of the statutes is amended to read:

21 71.47 (1di) (a) 1. The investment must be in property that is purchased after
22 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
23 is used for at least 50% of its use in the conduct of the person's business operations
24 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the

1 property is mobile, the base of operations of the property for at least 50% of its use
2 must be a location in a development zone.

3 **SECTION 313.** 71.47 (1di) (b) 2. of the statutes is amended to read:

4 71.47 (1di) (b) 2. If the claimant is located on an Indian reservation, as defined
5 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
6 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
7 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
8 under this subsection exceeds the taxes otherwise due under this chapter on or
9 measured by the claimant's income, the amount of the credit not used as an offset
10 against those taxes shall be certified to the department of administration for
11 payment to the claimant by check, share draft or other draft.

12 **SECTION 314.** 71.47 (1di) (b) 3. of the statutes is amended to read:

13 71.47 (1di) (b) 3. Partnerships, limited liability companies and tax-option
14 corporations may not claim the credit under this subsection, but the eligibility for,
15 and amount of, that credit shall be determined on the basis of their economic activity,
16 not that of their shareholders, partners or members. The corporation, partnership
17 or limited liability company shall compute the amount of the credit that may be
18 claimed by each of its shareholders, partners or members and shall provide that
19 information to each of its shareholders, partners or members. Partners, members
20 of limited liability companies and shareholders of tax-option corporations may claim
21 the credit based on the partnership's, company's or corporation's activities in
22 proportion to their ownership interest and may offset it against the tax attributable
23 to their income from the partnership's, company's or corporation's business
24 operations in the development zone; except that a claimant in a development zone
25 under s. 560.795 (1) (e), 2009 stats., may offset the credit, including any credits

1 carried over, against the amount of the tax otherwise due under this chapter
2 attributable to all of the claimant's income; and against the tax attributable to their
3 income from the partnership's, company's or corporation's directly related business
4 operations.

5 **SECTION 315.** 71.47 (1di) (d) 1. of the statutes is amended to read:

6 71.47 (1di) (d) 1. A copy of a verification from the department of commerce that
7 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

8 **SECTION 316.** 71.47 (1di) (f) of the statutes is amended to read:

9 71.47 (1di) (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
10 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
11 credits under this subsection for the taxable year that includes the day on which the
12 person becomes ineligible for tax benefits or succeeding taxable years and that
13 person may carry over no unused credits from previous years to offset tax under this
14 chapter for the taxable year that includes the day on which the person becomes
15 ineligible for tax benefits or succeeding taxable years.

16 **SECTION 317.** 71.47 (1di) (g) of the statutes is amended to read:

17 71.47 (1di) (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
18 claim tax benefits ceases business operations in the development zone during any of
19 the taxable years that that zone exists, that person may not carry over to any taxable
20 year following the year during which operations cease any unused credits from the
21 taxable year during which operations cease or from previous taxable years.

22 **SECTION 318.** 71.47 (1dj) (am) (intro.) of the statutes is amended to read:

23 71.47 (1dj) (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
24 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,

1 for tax benefits, any person may claim as a credit against taxes otherwise due under
2 this chapter an amount calculated as follows:

3 **SECTION 319.** 71.47 (1dj) (am) 4. a. of the statutes is amended to read:

4 71.47 (1dj) (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
5 benefits before January 1, 1992, modify “qualified wages” as defined in section 51 (b)
6 of the internal revenue code to exclude wages paid before the claimant is certified for
7 tax benefits and to exclude wages that are paid to employees for work at any location
8 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
9 of this subd. 4. a., mobile employees work at their base of operations and leased or
10 rented employees work at the location where they perform services.

11 **SECTION 320.** 71.47 (1dj) (am) 4. b. of the statutes is amended to read:

12 71.47 (1dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
13 benefits after December 31, 1991, modify “qualified wages” as defined in section 51
14 (b) of the internal revenue code to exclude wages paid before the claimant is certified
15 for tax benefits and to exclude wages that are paid to employees for work at any
16 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
17 purposes of this subd. 4. b., mobile employees and leased or rented employees work
18 at their base of operations.

19 **SECTION 321.** 71.47 (1dj) (am) 4c. of the statutes is amended to read:

20 71.47 (1dj) (am) 4c. Modify the rule for ineligible individuals under section 51
21 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
22 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
23 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
24 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

25 **SECTION 322.** 71.47 (1dj) (am) 4t. of the statutes is amended to read:

1 71.47 (1dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
2 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
3 for leased or rented employees, except employees of a leasing agency certified for tax
4 benefits who perform services directly for the agency in a development zone, the
5 minimum employment periods apply to the time that they perform services in a
6 development zone for a single lessee or renter, not to their employment by the leasing
7 agency.

8 **SECTION 323.** 71.47 (1dj) (e) 1. of the statutes is amended to read:

9 71.47 (1dj) (e) 1. A copy of the claimant's certification for tax benefits under s.
10 560.765 (3), 2009 stats.

11 **SECTION 324.** 71.47 (1dj) (e) 3. a. of the statutes is amended to read:

12 71.47 (1dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
13 before January 1, 1992, a statement from the department of commerce verifying the
14 amount of qualifying wages and verifying that the employees were hired for work
15 only in a development zone or are mobile employees whose base of operations is in
16 a development zone.

17 **SECTION 325.** 71.47 (1dj) (e) 3. b. of the statutes is amended to read:

18 71.47 (1dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
19 after December 31, 1991, a statement from the department of commerce verifying the
20 amount of qualifying wages and verifying that the employees were hired for work
21 only in a development zone or are mobile employees or leased or rented employees
22 whose base of operations is in a development zone.

23 **SECTION 326.** 71.47 (1dL) (a) of the statutes is amended to read:

24 71.47 (1dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
25 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009

1 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
2 under this subchapter an amount equal to 2.5% of the amount expended by that
3 person to acquire, construct, rehabilitate or repair real property in a development
4 zone under subch. VI of ch. 560, 2009 stats.

5 **SECTION 327.** 71.47 (1dL) (ag) of the statutes is amended to read:

6 71.47 (1dL) (ag) If the credit under par. (a) is claimed for an amount expended
7 to construct, rehabilitate, remodel or repair property, the claimant must have begun
8 the physical work of construction, rehabilitation, remodeling or repair, or any
9 demolition or destruction in preparation for the physical work, after the place where
10 the property is located was designated a development zone under s. 560.71, 2009
11 stats., and the completed project must be placed in service after the claimant is
12 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, "physical
13 work" does not include preliminary activities such as planning, designing, securing
14 financing, researching, developing specifications or stabilizing the property to
15 prevent deterioration.

16 **SECTION 328.** 71.47 (1dL) (ar) of the statutes is amended to read:

17 71.47 (1dL) (ar) If the credit under par. (a) is claimed for an amount expended
18 to acquire property, the property must have been acquired by the claimant after the
19 place where the property is located was designated a development zone under s.
20 560.71, 2009 stats., and the completed project must be placed in service after the
21 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
22 property must not have been previously owned by the claimant or a related person
23 during the 2 years prior to the designation of the development zone under s. 560.71,
24 2009 stats. No credit is allowed for an amount expended to acquire property until

1 the property, either in its original state as acquired by the claimant or as
2 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

3 **SECTION 329.** 71.47 (1dL) (bm) of the statutes is amended to read:

4 71.47 (1dL) (bm) In calculating the credit under par. (a) a claimant shall reduce
5 the amount expended to acquire property by a percentage equal to the percentage of
6 the area of the real property not used for the purposes for which the claimant is
7 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
8 amount expended for other purposes by the amount expended on the part of the
9 property not used for the purposes for which the claimant is certified to claim tax
10 benefits under s. 560.765 (3), 2009 stats.

11 **SECTION 330.** 71.47 (1dL) (c) of the statutes is amended to read:

12 71.47 (1dL) (c) If the claimant is located on an Indian reservation, as defined
13 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
14 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
15 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
16 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
17 the claimant's income, the amount of the credit not used as an offset against those
18 taxes shall be certified to the department of administration for payment to the
19 claimant by check, share draft or other draft.

20 **SECTION 331.** 71.47 (1dm) (a) 1. of the statutes is amended to read:

21 71.47 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
22 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
23 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., $\sqrt{\frac{S.}{\lambda}}$ 560.798 (3), 2009 stats., or
24 s. 560.7995 (4), 2009 stats.

25 **SECTION 332.** 71.47 (1dm) (a) 3. of the statutes is amended to read:

1 71.47 (1dm) (a) 3. "Development zone" means a development opportunity zone
2 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or
3 s. 560.798, 2009 stats., or an airport development zone under s. 238.399⁵ or s.
4 560.7995, 2009 stats.

5 **SECTION 333.** 71.47 (1dm) (f) 1. of the statutes is amended to read:

6 71.47 (1dm) (f) 1. A copy of ~~a~~ the verification from the department of commerce
7 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)
8 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or
9 s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

10 **SECTION 334.** 71.47 (1dm) (i) of the statutes is amended to read:

11 71.47 (1dm) (i) Partnerships, limited liability companies, and tax-option
12 corporations may not claim the credit under this subsection, but the eligibility for,
13 and the amount of, that credit shall be determined on the basis of their economic
14 activity, not that of their shareholders, partners, or members. The corporation,
15 partnership, or limited liability company shall compute the amount of credit that
16 may be claimed by each of its shareholders, partners, or members and provide that
17 information to its shareholders, partners, or members. Partners, members of limited
18 liability companies, and shareholders of tax-option corporations may claim the
19 credit based on the partnership's, company's, or corporation's activities in proportion
20 to their ownership interest and may offset it against the tax attributable to their
21 income from the partnership's, company's, or corporation's business operations in the
22 development zone; except that partners, members, and shareholders in a
23 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
24 the credit against the amount of the tax attributable to their income.

25 **SECTION 335.** 71.47 (1dm) (j) of the statutes is amended to read:

1 71.47 (1dm) (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
 2 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
 3 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
 4 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
 5 revoked, that person may claim no credits under this subsection for the taxable year
 6 that includes the day on which the person becomes ineligible for tax benefits, the
 7 taxable year that includes the day on which the certification is revoked, or succeeding
 8 taxable years, and that person may carry over no unused credits from previous years
 9 to offset tax under this chapter for the taxable year that includes the day on which
 10 the person becomes ineligible for tax benefits, the taxable year that includes the day
 11 on which the certification is revoked, or succeeding taxable years.

12 **SECTION 336.** 71.47 (1dm) (k) of the statutes is amended to read:

13 71.47 (1dm) (k) If a person who is entitled under s. 238.395 (3) (a) 4. or ^{S.} 560.795
 14 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5), 238.398
 15 (3), ^{or} 238.3995 (4), ^{or s.} 560.795 (5), 2009 stats., ^{S.} 560.798 (3), 2009 stats., ^{S.} or 560.7995 (4),
 16 2009 stats., ceases business operations in the development zone during any of the
 17 taxable years that that zone exists, that person may not carry over to any taxable
 18 year following the year during which operations cease any unused credits from the
 19 taxable year during which operations cease or from previous taxable years.

20 **SECTION 337.** 71.47 (1ds) (a) 1. of the statutes is amended to read:

21 71.47 (1ds) (a) 1. "Development zone" means a zone designated under s. 560.71,
 22 2009 stats.

23 **SECTION 338.** 71.47 (1ds) (b) of the statutes is amended to read:

24 71.47 (1ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
 25 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,

1 for tax benefits, any person may claim as a credit against taxes otherwise due under
 2 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
 3 and rentals of eligible property. Partnerships, limited liability companies and
 4 tax-option corporations may not claim the credit under this subsection but the
 5 eligibility for, and the amount of, that credit shall be determined on the basis of their
 6 economic activity, not that of their partners, members or shareholders. The
 7 partnership, limited liability company or corporation shall compute the amount of
 8 the credit that may be claimed by each of its partners, members or shareholders and
 9 shall provide that information to each of its partners, members or shareholders.
 10 Partners, members of limited liability companies and shareholders of tax-option
 11 corporations may claim the credit based on the partnership's, company's or
 12 corporation's activities in proportion to their ownership interest.

13 **SECTION 339.** 71.47 (1ds) (d) 1. of the statutes is amended to read:

14 71.47 (1ds) (d) 1. A copy of the claimant's certification for tax benefits under
 15 s. 560.765 (3), 2009 stats.

16 **SECTION 340.** 71.47 (1dx) (a) 2. of the statutes is amended to read:

17 71.47 (1dx) (a) 2. "Development zone" means a development zone under s.
 18 238.30 or ^{S.} 560.70, 2009 stats., a development opportunity zone under s. 238.395 or ^{S.} 560.795,
 19 2009 stats., or an enterprise development zone under s. 238.397 or ^{S.} 560.797,
 20 2009 stats., an agricultural development zone under s. 238.398 or ^{S.} 560.798, 2009
 21 stats., or an airport development zone under s. 238.3995 560.7995, 2009 stats.

22 **SECTION 341.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

23 71.47 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
 24 in s. 73.03 (35), and subject to s. 238.385 or ^{S.} 560.785, 2009 stats., for any taxable year
 25 for which the person is entitled under s. 238.395 (3) or ^{S.} 560.795 (3), 2009 stats., to

1 claim tax benefits or certified ^{or s.} under s. ^{s.} ~~238.365 (3), 238.397 (4), 238.398 (3), 238.3995~~
 2 ~~(4), 560.765 (3), 2009 stats., 560.797 (4), 2009 stats., 560.798 (3), 2009 stats., or~~ ^{s.}
 3 560.7995 (4), 2009 stats., any person may claim as a credit against the taxes
 4 otherwise due under this chapter the following amounts:

5 **SECTION 342.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

6 71.47 (1dx) (b) 2. The amount determined by multiplying the amount
 7 determined under s. 238.385 (1) (b) or ^{s.} 560.785 (1) (b), 2009 stats., by the number of
 8 full-time jobs created in a development zone and filled by a member of a targeted
 9 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
 10 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

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11 **SECTION 343.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

12 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
 13 determined under s. 238.385 (1) (bm) or ^{s.} 560.785 (1) (bm), 2009 stats., by the number
 14 of full-time jobs retained, as provided in the rules under s. 238.385 or ^{s.} 560.785, 2009
 15 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an
 16 enterprise development zone under s. 238.397 or ^{s.} 560.797, 2009 stats., and for which
 17 significant capital investment was made and by then subtracting the subsidies paid
 18 under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m)
 19 (c) for those jobs.

20 **SECTION 344.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

21 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
 22 determined under s. 238.385 (1) (c) or ^{s.} 560.785 (1) (c), 2009 stats., by the number of
 23 full-time jobs retained, as provided in the rules under s. 238.385 or ^{s.} 560.785, 2009
 24 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a
 25 development zone and not filled by a member of a targeted group and by then

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

3 **SECTION 345.** 71.47 (1dx) (be) of the statutes is amended to read:

4 71.47 (1dx) (be) *Offset.* A claimant in a development zone under s. 238.395 (1)
5 (e) or ^{S.} 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
6 subsection, including any credits carried over, against the amount of the tax
7 otherwise due under this subchapter attributable to all of the claimant's income and
8 against the tax attributable to income from directly related business operations of
9 the claimant.

10 **SECTION 346.** 71.47 (1dx) (bg) of the statutes is amended to read:

11 71.47 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
12 238.395 (1) (e) or ^{S.} 560.795 (1) (e), 2009 stats., partnerships, limited liability
13 companies, and tax-option corporations may not claim the credit under this
14 subsection, but the eligibility for, and amount of, that credit shall be determined on
15 the basis of their economic activity, not that of their shareholders, partners, or
16 members. The corporation, partnership, or company shall compute the amount of
17 the credit that may be claimed by each of its shareholders, partners, or members and
18 shall provide that information to each of its shareholders, partners, or members.
19 Partners, members of limited liability companies, and shareholders of tax-option
20 corporations may claim the credit based on the partnership's, company's, or
21 corporation's activities in proportion to their ownership interest and may offset it
22 against the tax attributable to their income.

23 **SECTION 347.** 71.47 (1dx) (c) of the statutes is amended to read:

24 71.47 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
25 under s. 238.365 (3), 238.397 (4), 238.398 (3), ^{or} 238.3995 (4), 560.765 (3), 2009 stats., ^{S.}

or S.

1 560.797 (4), 2009 stats., ^{S.} 560.798 (3), 2009 stats., or ^{S.} 560.7995 (4), 2009 stats., is
 2 revoked, or if the person becomes ineligible for tax benefits under s. 238.395 (3) or ^{S.}
 3 560.795 (3), 2009 stats., that person may not claim credits under this subsection for
 4 the taxable year that includes the day on which the certification is revoked; the
 5 taxable year that includes the day on which the person becomes ineligible for tax
 6 benefits; or succeeding taxable years and that person may not carry over unused
 7 credits from previous years to offset tax under this chapter for the taxable year that
 8 includes the day on which certification is revoked; the taxable year that includes the
 9 day on which the person becomes ineligible for tax benefits; or succeeding taxable
 10 years.

11 **SECTION 348.** 71.47 (1dx) (d) of the statutes is amended to read:

12 71.47 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
 13 238.395 (3) or ^{S.} 560.795 (3) to claim tax benefits or certified under s. 238.365 (3),
 14 238.397 (4), 238.398 (3), ^{or} 238.3995 (4), ^{or s.} 560.765 (3), 2009 stats., ^{S.} 560.797 (4), 2009
 15 stats., ^{S.} 560.798 (3), 2009 stats., or ^{S.} 560.7995 (4), 2009 stats., for tax benefits ceases
 16 business operations in the development zone during any of the taxable years that
 17 that zone exists, that person may not carry over to any taxable year following the
 18 year during which operations cease any unused credits from the taxable year during
 19 which operations cease or from previous taxable years.

20 **SECTION 349.** 71.47 (1dy) (a) of the statutes is amended to read:

21 71.47 (1dy) (a) *Definition.* In this subsection, "claimant" means a person who
 22 files a claim under this subsection and is certified under s. 238.301 (2) or ^{S.} 560.701 (2),
 23 2009 stats., and authorized to claim tax benefits under s. 238.303 or ^{S.} 560.703, 2009
 24 stats.

25 **SECTION 350.** 71.47 (1dy) (b) of the statutes is amended to read:

1 71.47 (1dy) (b) *Filing claims*. Subject to the limitations under this subsection
2 and ss. 238.301 to 238.306 or ^{S.} 560.701 to 560.706, 2009 stats., for taxable years
3 beginning after December 31, 2008, a claimant may claim as a credit against the tax
4 imposed under s. 71.43, up to the amount of the tax, the amount authorized for the
5 claimant under s. 238.303 or ^{S.} 560.703, 2009 stats.

6 **SECTION 351.** 71.47 (1dy) (c) 1. of the statutes is amended to read:

7 71.47 (1dy) (c) 1. No credit may be allowed under this subsection unless the
8 claimant includes with the claimant's return a copy of the claimant's certification
9 under s. 238.301 (2) or ^{S.} 560.701 (2), 2009 stats., and a copy of the claimant's notice
10 of eligibility to receive tax benefits under s. 238.303 (3) or ^{S.} 560.703 (3), 2009 stats.

11 **SECTION 352.** 71.47 (1dy) (c) 2. of the statutes is amended to read:

12 71.47 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
13 corporations may not claim the credit under this subsection, but the eligibility for,
14 and the amount of, the credit are based on their authorization to claim tax benefits
15 under s. 238.303 or ^{S.} 560.703, 2009 stats. A partnership, limited liability company, or
16 tax-option corporation shall compute the amount of credit that each of its partners,
17 members, or shareholders may claim and shall provide that information to each of
18 them. Partners, members of limited liability companies, and shareholders of
19 tax-option corporations may claim the credit in proportion to their ownership
20 interests.

21 **SECTION 353.** 71.47 (1dy) (d) 2. of the statutes is amended to read:

22 71.47 (1dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or ^{S.}
23 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
24 238.302 or ^{S.} 560.702, 2009 stats., the claimant may not claim credits under this
25 subsection for the taxable year that includes the day on which the certification is

1 revoked; the taxable year that includes the day on which the claimant becomes
2 ineligible for tax benefits; or succeeding taxable years and the claimant may not
3 carry over unused credits from previous years to offset the tax imposed under s. 71.43
4 for the taxable year that includes the day on which certification is revoked; the
5 taxable year that includes the day on which the claimant becomes ineligible for tax
6 benefits; or succeeding taxable years.

7 **SECTION 354.** 71.47 (3g) (a) (intro.) of the statutes is amended to read:

8 71.47 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
9 73.03 (35m), ^{S.} 238.23, ^{S.} and 560.96, 2009 stats., a business that is certified under s.
10 ^{S.} 238.23 (3) or 560.96 (3), 2009 stats., may claim as a credit against the taxes imposed
11 under s. 71.43 an amount equal to the sum of the following, as established under s.
12 ^{S.} 238.23 (3) (c) or 560.96 (3) (c), 2009 stats:

13 **SECTION 355.** 71.47 (3g) (e) 2. of the statutes is amended to read:

14 71.47 (3g) (e) 2. The investments that relate to the amount described under par.
15 (a) 2. for which a claimant makes a claim under this subsection must be retained for
16 use in the technology zone for the period during which the claimant's business is
17 certified under s. ^{S.} 238.23 (3) or 560.96 (3), 2009 stats.

18 **SECTION 356.** 71.47 (3g) (f) 1. of the statutes is amended to read:

19 71.47 (3g) (f) 1. A copy of ^{the} a verification ~~from the department of commerce~~ that
20 the claimant's business is certified under s. ^{S.} 238.23 (3) or 560.96 (3) and that the
21 business ~~and the department of commerce have~~ ^{has} entered into an agreement under
22 s. ^{S.} 238.23 (3) (d) or 560.96 (3) (d), 2009 stats.

23 **SECTION 357.** 71.47 (3p) (b) of the statutes is amended to read:

24 71.47 (3p) (b) *Filing claims.* Subject to the limitations provided in this
25 subsection and s. ^{S.} 238.18 or 560.207, 2009 stats., except as provided in par. (c) 5., for

1 taxable years beginning after December 31, 2006, and before January 1, 2015, a
2 claimant may claim as a credit against the taxes imposed under s. 71.43, up to the
3 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
4 in the taxable year for dairy manufacturing modernization or expansion related to
5 the claimant's dairy manufacturing operation.

6 **SECTION 358.** 71.47 (3p) (c) 2m. a. of the statutes is amended to read:

7 71.47 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
8 under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2007-08 is
9 \$600,000, as allocated under s. 560.207, 2009 stats.

10 **SECTION 359.** 71.47 (3p) (c) 2m. b. of the statutes is amended to read:

11 71.47 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
12 by all claimants, other than members of dairy cooperatives, under this subsection
13 and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2008-09, and in each fiscal year
14 thereafter, is \$700,000, as allocated under s. 238.18 or ^{S.} 560.207, 2009 stats.

15 **SECTION 360.** 71.47 (3p) (c) 2m. bm. of the statutes is amended to read:

16 71.47 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
17 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.28
18 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
19 the maximum amount of the credits that may be claimed by members of dairy
20 cooperatives under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year
21 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 238.18
22 or ^{S.} 560.207, 2009 stats.

23 **SECTION 361.** 71.47 (3p) (c) 6. of the statutes is amended to read:

1 71.47 (3p) (c) 6. No credit may be allowed under this subsection unless the
2 claimant submits with the claimant's return a copy of the claimant's credit
3 certification and allocation under s. 238.18 or ^{s.} 560.207, 2009 stats.

4 SECTION 362. 71.47 (3q) (a) 1. of the statutes is amended to read:

5 71.47 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
6 under s. 238.16 (2) or ^{s.} 560.2055 (2), 2009 stats. *(for taxable years beginning*
7 *before January 1, 2011)*

8 SECTION 363. 71.47 (3q) (a) 2. of the statutes is amended to read:

9 71.47 (3q) (a) 2. "Eligible employee" means *an* eligible employee under s.
10 238.16 (1) (b) or 560.2055 (1) (b), 2009 stats., who satisfies the wage requirements
11 under s. 238.16 (3) (a) or (b) or 560.2055 (3) (a) or (b), 2009 stats.

12 SECTION 364. 71.47 (3q) (b) (intro.) of the statutes is amended to read:

13 71.47 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
14 subsection and s. 238.16 or ^{s.} 560.2055, 2009 stats., for taxable years beginning after
15 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
16 s. 71.43 any of the following:

17 SECTION 365. 71.47 (3q) (b) 1. of the statutes is amended to read:

18 71.47 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
19 employee in the taxable year, not to exceed 10 percent of such wages, as determined
20 by the department of commerce under s. 238.16 or ^{s.} 560.2055, 2009 stats.

21 SECTION 366. 71.47 (3q) (b) 2. of the statutes is amended to read:

22 71.47 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
23 year, as determined under s. 238.16 or ^{s.} 560.2055, 2009 stats., to undertake the
24 training activities described under s. 238.16 (3) (c) or ^{s.} 560.2055 (3) (c), 2009 stats.

SECTION 367. 71.47 (3q) (c) 2. of the statutes is amended to read:

0.5 or 1 for taxable years beginning after December 31, 2010
an eligible employee under s. 238.16 (1) (b)

1 71.47 (3q) (c) 2. No credit may be allowed under this subsection unless the
2 claimant includes with the claimant's return a copy of the claimant's certification for
3 tax benefits under s. 238.16 (2) or ^{S.} 560.2055 (2), 2009 stats.

4 **SECTION 368.** 71.47 (3q) (c) 3. of the statutes is amended to read:

5 71.47 (3q) (c) 3. The maximum amount of credits that may be awarded under
6 this subsection and ss. 71.07 (3q) and 71.28 (3q) for the period beginning on January
7 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
8 any credits reallocated under s. 238.15 (3) (d) or ^{S.} 560.205 (3) (d), 2009 stats.

9 **SECTION 369.** 71.47 (3r) (b) of the statutes is amended to read:

10 71.47 (3r) (b) *Filing claims.* Subject to the limitations provided in this
11 subsection and s. 238.19 or ^{S.} 560.208, 2009 stats., for taxable years beginning after
12 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
13 against the taxes imposed under s. 71.43, up to the amount of the tax, an amount
14 equal to 10 percent of the amount the claimant paid in the taxable year for meat
15 processing modernization or expansion related to the claimant's meat processing
16 operation.

17 **SECTION 370.** 71.47 (3r) (c) 3. a. of the statutes is amended to read:

18 71.47 (3r) (c) 3. a. The maximum amount of the credits that may be allocated
19 under this subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2009-10 is
20 \$300,000, as allocated under s. 560.208, 2009 stats.

21 **SECTION 371.** 71.47 (3r) (c) 3. b. of the statutes is amended to read:

22 71.47 (3r) (c) 3. b. The maximum amount of the credits that may be allocated
23 under this subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2010-11, and in
24 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or ^{S.} 560.208, 2009
25 stats.

1 **SECTION 372.** 71.47 (3r) (c) 6. of the statutes is amended to read:

2 71.47 (3r) (c) 6. No credit may be allowed under this subsection unless the
3 claimant submits with the claimant's return a copy of the claimant's credit
4 certification and allocation under s. 238.19 or ^{S.}560.208, 2009 stats.

5 **SECTION 373.** 71.47 (3rm) (b) of the statutes is amended to read:

6 71.47 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
7 subsection and s. 238.21 or ^{S.}560.209, 2009 stats., for taxable years beginning after
8 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
9 against the taxes imposed under s. 71.43, up to the amount of the tax, an amount
10 equal to 10 percent of the amount the claimant paid in the taxable year for equipment
11 that is used primarily to harvest or process woody biomass that is used as fuel or as
12 a component of fuel.

13 **SECTION 374.** 71.47 (3rm) (c) 3. of the statutes is amended to read:

14 71.47 (3rm) (c) 3. The maximum amount of the credits that may be claimed
15 under this subsection and ss. 71.07 (3rm) and 71.28 (3rm) is \$900,000, as allocated
16 under s. 238.21 or ^{S.}s. 560.209, 2009 stats.

17 **SECTION 375.** 71.47 (3rn) (b) of the statutes is amended to read:

18 71.47 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
19 subsection and s. 238.17 or s. ~~506.2056~~ ^{S.}560.2056, 2009 stats., for taxable years
20 beginning after December 31, 2009, and before January 1, 2017, a claimant may
21 claim as a credit against the tax imposed under s. 71.43, up to the amount of the tax,
22 an amount equal to 10 percent of the amount the claimant paid in the taxable year
23 for food processing or food warehousing modernization or expansion related to the
24 operation of the claimant's food processing plant or food warehouse.

25 **SECTION 376.** 71.47 (3rn) (c) 3. a. of the statutes is amended to read:

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

4 **SECTION 377.** 71.47 (3rn) (c) 3. b. of the statutes is amended to read:

5 71.47 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
6 under this subsection and ss. 71.07 (3rn) and 71.28 (3rn) in fiscal year 2010-11 is
7 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

8 **SECTION 378.** 71.47 (3rn) (c) 3. c. of the statutes is amended to read:

9 71.47 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
10 under this subsection and ss. 71.07 (3rn) and 71.28 (3rn) in fiscal year 2011-12, and
11 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009
12 stats.

13 **SECTION 379.** 71.47 (3rn) (c) 6. of the statutes is amended to read:

14 71.47 (3rn) (c) 6. No credit may be allowed under this subsection unless the
15 claimant submits with the claimant's return a copy of the claimant's credit
16 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

17 **SECTION 380.** 71.47 (3t) (b) of the statutes is amended to read:

18 71.47 (3t) (b) *Credit.* Subject to the limitations provided in this subsection and
19 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
20 claimant may claim as a credit, amortized over 15 taxable years starting with the
21 taxable year beginning after December 31, 2007, against the tax imposed under s.
22 71.43, up to the amount of the tax, an amount equal to the claimant's unused credits
23 under s. 71.47 (3).

24 **SECTION 381.** 71.47 (3t) (c) 1. of the statutes is amended to read:

1 71.47 (3t) (c) 1. No credit may be claimed under this subsection unless the
2 claimant submits with the claimant's return a copy of the claimant's certification by
3 the department of commerce under s. 560.28, 2009 stats., except that, with regard
4 to credits claimed by partners of a partnership, members of a limited liability
5 company, or shareholders of a tax-option corporation, the entity shall provide a copy
6 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
7 to submit with his or her return.

8 **SECTION 382.** 71.47 (3w) (a) 2. of the statutes is amended to read:

9 71.47 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
10 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
11 this subsection.

12 **SECTION 383.** 71.47 (3w) (a) 3. of the statutes is amended to read:

13 71.47 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
14 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

15 **SECTION 384.** 71.47 (3w) (a) 4. of the statutes is amended to read:

16 71.47 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
17 or s. 560.799, 2009 stats.

18 **SECTION 385.** 71.47 (3w) (a) 5d. of the statutes is amended to read:

19 71.47 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
20 municipality, as determined by ~~the department of commerce~~ under s. 238.399 or s.
21 560.799, 2009 stats.

22 **SECTION 386.** 71.47 (3w) (a) 5e. of the statutes is amended to read:

23 71.47 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
24 municipality, as determined by ~~the department of commerce~~ under s. 560.799, 2009
25 stats.

s. 238.399 or

1 **SECTION 387.** 71.47 (3w) (b) (intro.) of the statutes is amended to read:

2 71.47 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
3 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
4 claim as a credit against the tax imposed under s. 71.43 an amount calculated as
5 follows:

6 **SECTION 388.** 71.47 (3w) (b) 5. of the statutes is amended to read:

7 71.47 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
8 percentage determined ~~by the department of commerce~~ under s. 238.399 or s.
9 560.799, 2009 stats., not to exceed 7 percent.

10 **SECTION 389.** 71.47 (3w) (bm) 1. of the statutes is amended to read:

11 71.47 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
12 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
13 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
14 s. 71.43 an amount equal to a percentage, as determined ~~by the department of~~
15 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
16 the amount the claimant paid in the taxable year to upgrade or improve the
17 job-related skills of any of the claimant's full-time employees, to train any of the
18 claimant's full-time employees on the use of job-related new technologies, or to
19 provide job-related training to any full-time employee whose employment with the
20 claimant represents the employee's first full-time job. This subdivision does not
21 apply to employees who do not work in an enterprise zone.

22 **SECTION 390.** 71.47 (3w) (bm) 2. of the statutes is amended to read:

23 71.47 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
24 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
25 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under

1 s. 71.43 an amount equal to the percentage, as determined by the department of
2 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the
3 claimant's zone payroll paid in the taxable year to all of the claimant's full-time
4 employees whose annual wages are greater than \$20,000 in a tier I county or
5 municipality, not including the wages paid to the employees determined under par.
6 (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the
7 wages paid to the employees determined under par. (b) 1., and who the claimant
8 employed in the enterprise zone in the taxable year, if the total number of such
9 employees is equal to or greater than the total number of such employees in the base
10 year. A claimant may claim a credit under this subdivision for no more than 5
11 consecutive taxable years.

12 **SECTION 391.** 71.47 (3w) (bm) 3. of the statutes is amended to read:

13 71.47 (3w) (bm) 3. In addition to the credits under par. (b) and subs. 1., 2., and
14 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
15 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
16 may claim as a credit against the tax imposed under s. 71.43 up to 10 percent of the
17 claimant's significant capital expenditures, as determined by the department of
18 ~~commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

19 **SECTION 392.** 71.47 (3w) (bm) 4. of the statutes is amended to read:

20 71.47 (3w) (bm) 4. In addition to the credits under par. (b) and subs. 1., 2., and
21 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
22 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
23 may claim as a credit against the tax imposed under s. 71.43, up to 1 percent of the
24 amount that the claimant paid in the taxable year to purchase tangible personal
25 property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from