



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 XVII

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)

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1 71.28 **(1de)** (a) 1. Begins the work, other than planning and investigating, for
2 which the credit is claimed after the area that includes the site where the work is
3 done is designated a development zone under s. 560.71, 2009 stats., a development
4 opportunity zone under s. 560.795, 2009 stats., or an enterprise development zone
5 under s. 560.797, 2009 stats., and after the claimant is certified under s. 560.765 (3),
6 2009 stats., entitled under s. 560.795 (3) (a), 2009 stats., or certified under s. 560.797
7 (4) (a), 2009 stats.

8 **SECTION 234.** 71.28 (1de) (d) of the statutes is amended to read:

9 71.28 **(1de)** (d) The credit under this subsection, as it applies to a person
10 certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts
11 economic activity in a zone under s. 560.795 (1), 2009 stats., and that is entitled to
12 tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795
13 (2), 2009 stats. A credit under this subsection may be credited using expenses
14 incurred by a claimant on July 29, 1995.

15 **SECTION 235.** 71.28 (1di) (a) (intro.) of the statutes is amended to read:

16 71.28 **(1di)** (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
17 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,
18 to claim tax benefits, any person may claim as a credit against taxes otherwise due
19 under this chapter 2.5% of the purchase price of depreciable, tangible personal
20 property, or 1.75% of the purchase price of depreciable, tangible personal property
21 that is expensed under section 179 of the internal revenue code for purposes of the
22 taxes under this chapter, except that:

23 **SECTION 236.** 71.28 (1di) (a) 1. of the statutes is amended to read:

24 71.28 **(1di)** (a) 1. The investment must be in property that is purchased after
25 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that

1 is used for at least 50% of its use in the conduct of the person's business operations
2 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the
3 property is mobile, the base of operations of the property for at least 50% of its use
4 must be a location in a development zone.

5 **SECTION 237.** 71.28 (1di) (b) 2. of the statutes is amended to read:

6 71.28 **(1di)** (b) 2. If the claimant is located on an Indian reservation, as defined
7 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
8 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
9 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
10 under this subsection exceeds the taxes otherwise due under this chapter on or
11 measured by the claimant's income, the amount of the credit not used as an offset
12 against those taxes shall be certified to the department of administration for
13 payment to the claimant by check, share draft or other draft.

14 **SECTION 238.** 71.28 (1di) (b) 3. of the statutes is amended to read:

15 71.28 **(1di)** (b) 3. Partnerships, limited liability companies and tax-option
16 corporations may not claim the credit under this subsection, but the eligibility for,
17 and amount of, that credit shall be determined on the basis of their economic activity,
18 not that of their shareholders, partners or members. The corporation, partnership
19 or limited liability company shall compute the amount of the credit that may be
20 claimed by each of its shareholders, partners or members and shall provide that
21 information to each of its shareholders, partners or members. Partners, members
22 of limited liability companies and shareholders of tax-option corporations may claim
23 the credit based on the partnership's, company's or corporation's activities in
24 proportion to their ownership interest and may offset it against the tax attributable
25 to their income from the partnership's, company's or corporation's business

1 operations in the development zone; except that partners, members, and
2 shareholders in a development zone under s. 560.795 (1) (e), 2009 stats., may offset
3 the credit against the amount of the tax attributable to their income from all of the
4 partnership's, company's, or corporation's business operations; and against the tax
5 attributable to their income from the partnership's, company's or corporation's
6 directly related business operations.

7 **SECTION 239.** 71.28 (1di) (d) 1. of the statutes is amended to read:

8 71.28 **(1di)** (d) 1. A copy of a verification from the department of commerce that
9 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

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

11 71.28 **(1di)** (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
12 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
13 credits under this subsection for the taxable year that includes the day on which the
14 person becomes ineligible for tax benefits or succeeding taxable years and that
15 person may carry over no unused credits from previous years to offset tax under this
16 chapter for the taxable year that includes the day on which the person becomes
17 ineligible for tax benefits or succeeding taxable years.

18 **SECTION 241.** 71.28 (1di) (g) of the statutes is amended to read:

19 71.28 **(1di)** (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
20 claim tax benefits ceases business operations in the development zone during any of
21 the taxable years that that zone exists, that person may not carry over to any taxable
22 year following the year during which operations cease any unused credits from the
23 taxable year during which operations cease or from previous taxable years.

24 **SECTION 242.** 71.28 (1di) (i) of the statutes is amended to read:

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

10 **SECTION 243.** 71.28 (1dj) (am) (intro.) of the statutes is amended to read:

11 71.28 **(1dj)** (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
12 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
13 for tax benefits, any person may claim as a credit against taxes otherwise due under
14 this chapter an amount calculated as follows:

15 **SECTION 244.** 71.28 (1dj) (am) 4. a. of the statutes is amended to read:

16 71.28 **(1dj)** (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
17 benefits before January 1, 1992, modify “qualified wages” as defined in section 51 (b)
18 of the internal revenue code to exclude wages paid before the claimant is certified for
19 tax benefits and to exclude wages that are paid to employees for work at any location
20 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
21 of this subd. 4. a., mobile employees work at their base of operations and leased or
22 rented employees work at the location where they perform services.

23 **SECTION 245.** 71.28 (1dj) (am) 4. b. of the statutes is amended to read:

24 71.28 **(1dj)** (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
25 benefits after December 31, 1991, modify “qualified wages” as defined in section 51

1 (b) of the internal revenue code to exclude wages paid before the claimant is certified
2 for tax benefits and to exclude wages that are paid to employees for work at any
3 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
4 purposes of this subd. 4. b., mobile employees and leased or rented employees work
5 at their base of operations.

6 **SECTION 246.** 71.28 (1dj) (am) 4c. of the statutes is amended to read:

7 71.28 (1dj) (am) 4c. Modify the rule for ineligible individuals under section 51
8 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
9 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
10 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
11 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

12 **SECTION 247.** 71.28 (1dj) (am) 4t. of the statutes is amended to read:

13 71.28 (1dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
14 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
15 for leased or rented employees, except employees of a leasing agency certified for tax
16 benefits who perform services directly for the agency in a development zone, the
17 minimum employment periods apply to the time that they perform services in a
18 development zone for a single lessee or renter, not to their employment by the leasing
19 agency.

20 **SECTION 248.** 71.28 (1dj) (e) 1. of the statutes is amended to read:

21 71.28 (1dj) (e) 1. A copy of the claimant's certification for tax benefits under s.
22 560.765 (3), 2009 stats.

23 **SECTION 249.** 71.28 (1dj) (e) 3. a. of the statutes is amended to read:

24 71.28 (1dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
25 before January 1, 1992, a statement from the department of commerce verifying the

1 amount of qualifying wages and verifying that the employees were hired for work
2 only in a development zone or are mobile employees whose base of operations is in
3 a development zone.

4 **SECTION 250.** 71.28 (1dj) (e) 3. b. of the statutes is amended to read:

5 71.28 **(1dj)** (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
6 after December 31, 1991, a statement from the department of commerce verifying the
7 amount of qualifying wages and verifying that the employees were hired for work
8 only in a development zone or are mobile employees or leased or rented employees
9 whose base of operations is in a development zone.

10 **SECTION 251.** 71.28 (1dj) (i) of the statutes is amended to read:

11 71.28 **(1dj)** (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 252.** 71.28 (1dL) (a) of the statutes is amended to read:

21 71.28 **(1dL)** (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
22 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009
23 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
24 under this subchapter an amount equal to 2.5% of the amount expended by that

1 person to acquire, construct, rehabilitate or repair real property in a development
2 zone under subch. VI of ch. 560, 2009 stats.

3 **SECTION 253.** 71.28 (1dL) (ag) of the statutes is amended to read:

4 71.28 **(1dL)** (ag) If the credit under par. (a) is claimed for an amount expended
5 to construct, rehabilitate, remodel or repair property, the claimant must have begun
6 the physical work of construction, rehabilitation, remodeling or repair, or any
7 demolition or destruction in preparation for the physical work, after the place where
8 the property is located was designated a development zone under s. 560.71, 2009
9 stats., and the completed project must be placed in service after the claimant is
10 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, “physical
11 work” does not include preliminary activities such as planning, designing, securing
12 financing, researching, developing specifications or stabilizing the property to
13 prevent deterioration.

14 **SECTION 254.** 71.28 (1dL) (ar) of the statutes is amended to read:

15 71.28 **(1dL)** (ar) If the credit under par. (a) is claimed for an amount expended
16 to acquire property, the property must have been acquired by the claimant after the
17 place where the property is located was designated a development zone under s.
18 560.71, 2009 stats., and the completed project must be placed in service after the
19 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
20 property must not have been previously owned by the claimant or a related person
21 during the 2 years prior to the designation of the development zone under s. 560.71,
22 2009 stats. No credit is allowed for an amount expended to acquire property until
23 the property, either in its original state as acquired by the claimant or as
24 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

25 **SECTION 255.** 71.28 (1dL) (bm) of the statutes is amended to read:

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

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

9 71.28 (1dL) (c) If the claimant is located on an Indian reservation, as defined
10 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
11 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
12 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
13 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
14 the claimant's income, the amount of the credit not used as an offset against those
15 taxes shall be certified to the department of administration for payment to the
16 claimant by check, share draft or other draft.

17 **SECTION 257.** 71.28 (1dL) (i) of the statutes is amended to read:

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

1 development opportunity zone designation of the area in which the claimant
2 conducts economic activity.

3 SECTION 258. 71.28 (1dm) (a) 1. of the statutes is amended to read:

4 71.28 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
5 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
6 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
7 s. or 560.7995 (4), 2009 stats.

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8 SECTION 259. 71.28 (1dm) (a) 3. of the statutes is amended to read:

9 71.28 (1dm) (a) 3. "Development zone" means a development opportunity zone
10 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or
11 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
12 560.7995, 2009 stats.

13 SECTION 260. 71.28 (1dm) (f) 1. of the statutes is amended to read:

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

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18 SECTION 261. 71.28 (1dm) (i) of the statutes is amended to read:

19 71.28 (1dm) (i) Partnerships, limited liability companies, and tax-option
20 corporations may not claim the credit under this subsection, but the eligibility for,
21 and the amount of, that credit shall be determined on the basis of their economic
22 activity, not that of their shareholders, partners, or members. The corporation,
23 partnership, or limited liability company shall compute the amount of credit that
24 may be claimed by each of its shareholders, partners, or members and provide that
25 information to its shareholders, partners, or members. Partners, members of limited

1 liability companies, and shareholders of tax-option corporations may claim the
2 credit based on the partnership's, company's, or corporation's activities in proportion
3 to their ownership interest and may offset it against the tax attributable to their
4 income from the partnership's, company's, or corporation's business operations in the
5 development zone; except that partners, members, and shareholders in a
6 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
7 the credit against the amount of the tax attributable to their income.

8 **SECTION 262.** 71.28 (1dm) (j) of the statutes is amended to read:

9 71.28 **(1dm)** (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
10 (3) (a) 4., 2009 stats. to claim tax benefits becomes ineligible for such tax benefits,
11 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
12 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
13 revoked, that person may claim no credits under this subsection for the taxable year
14 that includes the day on which the person becomes ineligible for tax benefits, the
15 taxable year that includes the day on which the certification is revoked, or succeeding
16 taxable years, and that person may carry over no unused credits from previous years
17 to offset tax under this chapter for the taxable year that includes the day on which
18 the person becomes ineligible for tax benefits, the taxable year that includes the day
19 on which the certification is revoked, or succeeding taxable years.

20 **SECTION 263.** 71.28 (1dm) (k) of the statutes is amended to read:

21 71.28 **(1dm)** (k) If a person who is 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),
23 239.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
24 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
25 during any of the taxable years that that zone exists, that person may not carry over

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

4 **SECTION 264.** 71.28 (1ds) (a) 1. of the statutes is amended to read:

5 71.28 (1ds) (a) 1. “Development zone” means a zone designated under s. 560.71,
6 2009 stats.

7 **SECTION 265.** 71.28 (1ds) (b) of the statutes is amended to read:

8 71.28 (1ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
9 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
10 for tax benefits, any person may claim as a credit against taxes otherwise due under
11 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
12 and rentals of eligible property. Partnerships, limited liability companies and
13 tax-option corporations may not claim the credit under this subsection, but the
14 eligibility for, and the amount of, that credit shall be determined on the basis of their
15 economic activity, not that of their partners, members or shareholders. The
16 partnership, limited liability company or corporation shall compute the amount of
17 credit that may be claimed by each of its partners, members or shareholders and
18 shall provide that information to its partners, members or shareholders. Partners,
19 members of limited liability companies and shareholders of tax-option corporations
20 may claim the credit based on the partnership’s, company’s or corporation’s activities
21 in proportion to their ownership interest.

22 **SECTION 266.** 71.28 (1ds) (d) 1. of the statutes is amended to read:

23 71.28 (1ds) (d) 1. A copy of the claimant’s certification for tax benefits under
24 s. 560.765 (3), 2009 stats.

25 **SECTION 267.** 71.28 (1ds) (i) of the statutes is amended to read:

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

10 **SECTION 268.** 71.28 (1dx) (a) 2. of the statutes is amended to read:

11 71.28 **(1dx)** (a) 2. “Development zone” means a development zone under s.
12 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
13 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.
14 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
15 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
16 560.7995, 2009 stats.

17 **SECTION 269.** 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

18 71.28 **(1dx)** (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
19 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
20 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
21 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
22 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
23 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
24 the taxes otherwise due under this chapter the following amounts:

25 **SECTION 270.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

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

6 **SECTION 271.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

7 71.28 **(1dx)** (b) 3. The amount determined by multiplying the amount
8 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
9 of full-time jobs created in a development zone and not filled by a member of a
10 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
11 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

12 **SECTION 272.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

13 71.28 **(1dx)** (b) 4. The amount determined by multiplying the amount
14 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
15 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
16 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
17 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
18 and for which significant capital investment was made and by then subtracting the
19 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
20 under s. 49.147 (3m) (c) for those jobs.

21 **SECTION 273.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

22 71.28 **(1dx)** (b) 5. The amount determined by multiplying the amount
23 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
24 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
25 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in

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1 a development zone and not filled by a member of a targeted group and by then
2 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
3 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

4 **SECTION 274.** 71.28 (1dx) (be) of the statutes is amended to read:

5 71.28 **(1dx)** (be) *Offset.* A claimant in a development zone under s. 238.395
6 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
7 subsection, including any credits carried over, against the amount of the tax
8 otherwise due under this subchapter attributable to all of the claimant's income and
9 against the tax attributable to income from directly related business operations of
10 the claimant.

11 **SECTION 275.** 71.28 (1dx) (bg) of the statutes is amended to read:

12 71.28 **(1dx)** (bg) *Other entities.* For claimants in a development zone under s.
13 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
14 companies, and tax-option corporations may not claim the credit under this
15 subsection, but the eligibility for, and amount of, that credit shall be determined on
16 the basis of their economic activity, not that of their shareholders, partners, or
17 members. The corporation, partnership, or company shall compute the amount of
18 the credit that may be claimed by each of its shareholders, partners, or members and
19 shall provide that information to each of its shareholders, partners, or members.
20 Partners, members of limited liability companies, and shareholders of tax-option
21 corporations may claim the credit based on the partnership's, company's, or
22 corporation's activities in proportion to their ownership interest and may offset it
23 against the tax attributable to their income.

24 **SECTION 276.** 71.28 (1dx) (c) of the statutes is amended to read:

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

13 **SECTION 277.** 71.28 (1dx) (d) of the statutes is amended to read:

14 71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
15 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
16 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
17 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
18 tax benefits ceases business operations in the development zone during any of the
19 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 278.** 71.28 (1dy) (a) of the statutes is amended to read:

23 71.28 (1dy) (a) *Definition.* In this subsection, “claimant” means a person who
24 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701

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1 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
2 2009 stats.

3 **SECTION 279.** 71.28 (1dy) (b) of the statutes is amended to read:

4 71.28 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection
5 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
6 beginning after December 31, 2008, a claimant may claim as a credit against the tax
7 imposed under s. 71.23, up to the amount of the tax, the amount authorized for the
8 claimant under s. 238.303 or s. 560.703, 2009 stats.

9 **SECTION 280.** 71.28 (1dy) (c) 1. of the statutes is amended to read:

10 71.28 (1dy) (c) 1. No credit may be allowed under this subsection unless the
11 claimant includes with the claimant's return a copy of the claimant's certification
12 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice
13 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

14 **SECTION 281.** 71.28 (1dy) (c) 2. of the statutes is amended to read:

15 71.28 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
16 corporations may not claim the credit under this subsection, but the eligibility for,
17 and the amount of, the credit are based on their authorization to claim tax benefits
18 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
19 or tax-option corporation shall compute the amount of credit that each of its
20 partners, members, or shareholders may claim and shall provide that information
21 to each of them. Partners, members of limited liability companies, and shareholders
22 of tax-option corporations may claim the credit in proportion to their ownership
23 interests.

24 **SECTION 282.** 71.28 (1dy) (d) 2. of the statutes is amended to read:

1 71.28 **(1dy)** (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
2 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
3 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
4 subsection for the taxable year that includes the day on which the certification is
5 revoked; the taxable year that includes the day on which the claimant becomes
6 ineligible for tax benefits; or succeeding taxable years and the claimant may not
7 carry over unused credits from previous years to offset the tax imposed under s. 71.23
8 for the taxable year that includes the day on which certification is revoked; the
9 taxable year that includes the day on which the claimant becomes ineligible for tax
10 benefits; or succeeding taxable years.

11 **SECTION 283.** 71.28 (3g) (a) (intro.) of the statutes is amended to read:

12 71.28 **(3g)** (a) (intro.) Subject to the limitations under this subsection and ss.
13 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under
14 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
15 imposed under s. 71.23 an amount equal to the sum of the following, as established
16 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.:

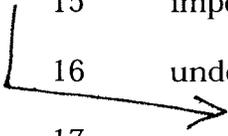
17 **SECTION 284.** 71.28 (3g) (e) 2. of the statutes is amended to read:

18 71.28 **(3g)** (e) 2. The investments that relate to the amount described under par.
19 (a) 2. for which a claimant makes a claim under this subsection must be retained for
20 use in the technology zone for the period during which the claimant's business is
21 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

22 **SECTION 285.** 71.28 (3g) (f) 1. of the statutes is amended to read:

23 71.28 **(3g)** (f) 1. A copy of a verification from the department of commerce that
24 the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

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1 and that the business ~~and the department of commerce have~~ has entered into an
2 agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

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

4 71.28 **(3p)** (b) *Filing claims.* Subject to the limitations provided in this
5 subsection and s. 238.18 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
6 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
7 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the
8 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
9 in the taxable year for dairy manufacturing modernization or expansion related to
10 the claimant's dairy manufacturing operation.

11 **SECTION 287.** 71.28 (3p) (c) 2m. a. of the statutes is amended to read:

12 71.28 **(3p)** (c) 2m. a. The maximum amount of the credits that may be claimed
13 under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2007-08 is
14 \$600,000, as allocated under s. 560.207, 2009 stats.

15 **SECTION 288.** 71.28 (3p) (c) 2m. b. of the statutes is amended to read:

16 71.28 **(3p)** (c) 2m. b. The maximum amount of the credits that may be claimed
17 by all claimants, other than members of dairy cooperatives, under this subsection
18 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
19 thereafter, is \$700,000, as allocated under s. 238.18 or s. 560.207, 2009 stats.

20 **SECTION 289.** 71.28 (3p) (c) 2m. bm. of the statutes is amended to read:

21 71.28 **(3p)** (c) 2m. bm. The maximum amount of the credits that may be claimed
22 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
23 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
24 the maximum amount of the credits that may be claimed by members of dairy
25 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year

1 2010–11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 238.18
2 or s. 560.207, 2009 stats.

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3 SECTION 290. 71.28 (3p) (c) 6. of the statutes is amended to read:

4 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
5 claimant submits with the claimant's return a copy of the claimant's credit
6 certification and allocation under ~~s. 238.18~~ or s. 560.207, 2009 stats.

7 SECTION 291. 71.28 (3q) (a) 1. of the statutes is amended to read:

8 71.28 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
9 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

10 SECTION 292. 71.28 (3q) (a) 2. of the statutes is amended to read:

11 71.28 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
12 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
13 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
14 taxable years beginning after December 31, 2010, an eligible employee under s.
15 238.16 (1) (b).

16 SECTION 293. 71.28 (3q) (b) (intro.) of the statutes is amended to read:

17 71.28 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
18 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
19 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
20 s. 71.23 any of the following:

21 SECTION 294. 71.28 (3q) (b) 1. of the statutes is amended to read:

22 71.28 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
23 employee in the taxable year, not to exceed 10 percent of such wages, as determined
24 ~~by the department of commerce~~ under s. 238.16 or s. 560.2055, 2009 stats.

25 SECTION 295. 71.28 (3q) (b) 2. of the statutes is amended to read:

1 71.28 **(3q)** (b) 2. The amount of the costs incurred by the claimant in the taxable
2 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
3 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

4 **SECTION 296.** 71.28 (3q) (c) 2. of the statutes is amended to read:

5 71.28 **(3q)** (c) 2. No credit may be allowed under this subsection unless the
6 claimant includes with the claimant's return a copy of the claimant's certification for
7 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

8 **SECTION 297.** 71.28 (3q) (c) 3. of the statutes is amended to read:

9 71.28 **(3q)** (c) 3. The maximum amount of credits that may be awarded under
10 this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January
11 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
12 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

13 **SECTION 298.** 71.28 (3r) (b) of the statutes is amended to read:

14 71.28 **(3r)** (b) *Filing claims.* Subject to the limitations provided in this
15 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
16 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
17 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
18 equal to 10 percent of the amount the claimant paid in the taxable year for meat
19 processing modernization or expansion related to the claimant's meat processing
20 operation.

21 **SECTION 299.** 71.28 (3r) (c) 3. a. of the statutes is amended to read:

22 71.28 **(3r)** (c) 3. a. The maximum amount of the credits that may be allocated
23 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009–10 is
24 \$300,000, as allocated under s. 560.208, 2009 stats.

25 **SECTION 300.** 71.28 (3r) (c) 3. b. of the statutes is amended to read:

1 71.28 **(3r)** (c) 3. b. The maximum amount of the credits that may be allocated
2 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010–11, and in
3 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
4 2009 stats.

5 **SECTION 301.** 71.28 (3r) (c) 6. of the statutes is amended to read:

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

9 **SECTION 302.** 71.28 (3rm) (b) of the statutes is amended to read:

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

17 **SECTION 303.** 71.28 (3rm) (c) 3. of the statutes is amended to read:

18 71.28 **(3rm)** (c) 3. The maximum amount of the credits that may be claimed
19 under this subsection and ss. 71.07 (3rm) and 71.47 (3rm) is \$900,000, as allocated
20 under s. 238.21 or s. 560.209, 2009 stats.

21 **SECTION 304.** 71.28 (3rn) (b) of the statutes is amended to read:

22 71.28 **(3rn)** (b) *Filing claims.* Subject to the limitations provided in this
23 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years
24 beginning after December 31, 2009, and before January 1, 2017, a claimant may
25 claim as a credit against the tax imposed under s. 71.23, up to the amount of the tax,

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1 an amount equal to 10 percent of the amount the claimant paid in the taxable year
2 for food processing or food warehousing modernization or expansion related to the
3 operation of the claimant's food processing plant or food warehouse.

4 **SECTION 305.** 71.28 (3rn) (c) 3. a. of the statutes is amended to read:

5 71.28 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated
6 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2009–10 is
7 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

8 **SECTION 306.** 71.28 (3rn) (c) 3. b. of the statutes is amended to read:

9 71.28 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
10 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2010–11 is
11 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

12 **SECTION 307.** 71.28 (3rn) (c) 3. c. of the statutes is amended to read:

13 71.28 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
14 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2011–12, and
15 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009
16 stats.

17 **SECTION 308.** 71.28 (3rn) (c) 6. of the statutes is amended to read:

18 71.28 (3rn) (c) 6. No credit may be allowed under this subsection unless the
19 claimant submits with the claimant's return a copy of the claimant's credit
20 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

21 **SECTION 309.** 71.28 (3t) (b) of the statutes is amended to read:

22 71.28 (3t) (b) *Credit.* Subject to the limitations provided in this subsection and
23 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
24 claimant may claim as a credit, amortized over 15 taxable years starting with the
25 taxable year beginning after December 31, 2007, against the tax imposed under s.

1 71.23, up to the amount of the tax, an amount equal to the claimant's unused credits
2 under s. 71.28 (3).

3 **SECTION 310.** 71.28 (3t) (c) 1. of the statutes is amended to read:

4 71.28 (3t) (c) 1. No credit may be claimed under this subsection unless the
5 claimant submits with the claimant's return a copy of the claimant's certification by
6 the department of commerce under s. 560.28, 2009 stats., except that, with regard
7 to credits claimed by partners of a partnership, members of a limited liability
8 company, or shareholders of a tax-option corporation, the entity shall provide a copy
9 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
10 to submit with his or her return.

11 **SECTION 311.** 71.28 (3w) (a) 2. of the statutes is amended to read:

12 71.28 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
13 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
14 this subsection.

15 **SECTION 312.** 71.28 (3w) (a) 3. of the statutes is amended to read:

16 71.28 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
17 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

18 **SECTION 313.** 71.28 (3w) (a) 4. of the statutes is amended to read:

19 71.28 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
20 or s. 560.799, 2009 stats.

21 **SECTION 314.** 71.28 (3w) (a) 5d. of the statutes is amended to read:

22 71.28 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
23 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
24 560.799, 2009 stats.

25 **SECTION 315.** 71.28 (3w) (a) 5e. of the statutes is amended to read:

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1 71.28 (3w) (a) 5e. “Tier II county or municipality” means a tier II county or
2 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
3 560.799, 2009 stats.

4 **SECTION 316.** 71.28 (3w) (b) (intro.) of the statutes is amended to read:

5 71.28 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
6 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
7 claim as a credit against the tax imposed under s. 71.23 an amount calculated as
8 follows:

9 **SECTION 317.** 71.28 (3w) (b) 5. of the statutes is amended to read:

10 71.28 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
11 percentage determined ~~by the department of commerce~~ under s. 238.399 or s.
12 560.799, 2009 stats., not to exceed 7 percent.

13 **SECTION 318.** 71.28 (3w) (bm) 1. of the statutes is amended to read:

14 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
15 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
16 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
17 s. 71.23 an amount equal to a percentage, as determined ~~by the department of~~
18 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
19 the amount the claimant paid in the taxable year to upgrade or improve the
20 job-related skills of any of the claimant’s full-time employees, to train any of the
21 claimant’s full-time employees on the use of job-related new technologies, or to
22 provide job-related training to any full-time employee whose employment with the
23 claimant represents the employee’s first full-time job. This subdivision does not
24 apply to employees who do not work in an enterprise zone.

25 **SECTION 319.** 71.28 (3w) (bm) 2. of the statutes is amended to read:

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

15 **SECTION 320.** 71.28 (3w) (bm) 3. of the statutes is amended to read:

16 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
17 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
18 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
19 may claim as a credit against the tax imposed under s. 71.23 up to 10 percent of the
20 claimant's significant capital expenditures, as determined by the department of
21 commerce under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

22 **SECTION 321.** 71.28 (3w) (bm) 4. of the statutes is amended to read:

23 71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
24 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
25 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant

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

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7 **SECTION 322.** 71.28 (3w) (c) 3. of the statutes is amended to read:

8 71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the
9 claimant includes with the claimant's return a copy of the claimant's certification for
10 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

11 **SECTION 323.** 71.28 (4) (am) 1. of the statutes is amended to read:

12 71.28 (4) (am) 1. In addition to the credit under par. (ad), any corporation may
13 credit against taxes otherwise due under this chapter an amount equal to 5 percent
14 of the amount obtained by subtracting from the corporation's qualified research
15 expenses, as defined in section 41 of the Internal Revenue Code, except that
16 "qualified research expenses" include only expenses incurred by the claimant in a
17 development zone under subch. II of ch. 238 or subch. VI of ch. 560, 2009 stats., except
18 that a taxpayer may elect the alternative computation under section 41 (c) (4) of the
19 Internal Revenue Code and that election applies until the department permits its
20 revocation and except that "qualified research expenses" do not include
21 compensation used in computing the credit under sub. (1dj) nor research expenses
22 incurred before the claimant is certified for tax benefits under s. 238.365 (3) or s.
23 560.765 (3), 2009 stats., the corporation's base amount, as defined in section 41 (c)
24 of the Internal Revenue Code, in a development zone, except that gross receipts used
25 in calculating the base amount means gross receipts from sales attributable to

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

13 **SECTION 324.** 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 325.** 71.28 (5b) (a) 2. of the statutes is amended to read:

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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 326.** 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 327.** 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 328.** 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 329.** 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 330.** 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 331.** 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 332.** 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 333.** 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 334.** 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 335.** 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 336.** 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 337.** 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 338.** 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 339.** 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 340.** 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 341.** 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 342.** 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 343.** 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 344.** 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 345.** 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 346.** 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 347.** 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 348.** 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 349.** 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 350.** 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 351.** 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., s. 560.798 (3), 2009 stats.,
24 or s. 560.7995 (4), 2009 stats.

25 **SECTION 352.** 71.47 (1dm) (a) 3. of the statutes is amended to read:

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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 353.** 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 354.** 71.47 (1dm) (i) of the statutes is amended to read:

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R 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 355.** 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 356.** 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.
14 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
15 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
16 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
17 during any of the taxable years that that zone exists, that person may not carry over
18 to any taxable year following the year during which operations cease any unused
19 credits from the taxable year during which operations cease or from previous taxable
20 years.

21 **SECTION 357.** 71.47 (1ds) (a) 1. of the statutes is amended to read:

22 71.47 (1ds) (a) 1. "Development zone" means a zone designated under s. 560.71,
23 2009 stats.

24 **SECTION 358.** 71.47 (1ds) (b) of the statutes is amended to read:

1 71.47 (1ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
2 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
3 for tax benefits, any person may claim as a credit against taxes otherwise due under
4 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
5 and rentals of eligible property. Partnerships, limited liability companies and
6 tax-option corporations may not claim the credit under this subsection but the
7 eligibility for, and the amount of, that credit shall be determined on the basis of their
8 economic activity, not that of their partners, members or shareholders. The
9 partnership, limited liability company or corporation shall compute the amount of
10 the credit that may be claimed by each of its partners, members or shareholders and
11 shall provide that information to each of its partners, members or shareholders.
12 Partners, members of limited liability companies and shareholders of tax-option
13 corporations may claim the credit based on the partnership's, company's or
14 corporation's activities in proportion to their ownership interest.

15 **SECTION 359.** 71.47 (1ds) (d) 1. of the statutes is amended to read:

16 71.47 (1ds) (d) 1. A copy of the claimant's certification for tax benefits under
17 s. 560.765 (3), 2009 stats.

18 **SECTION 360.** 71.47 (1dx) (a) 2. of the statutes is amended to read:

19 71.47 (1dx) (a) 2. "Development zone" means a development zone under s.
20 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
21 s. 560.795, 2009 stats., or an enterprise development zone under s. 238.397 or s.
22 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
23 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
24 560.7995, 2009 stats.

25 **SECTION 361.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

1 71.47 (1dx) (b) *Credit*. (intro.) Except as provided in pars. (be) and (bg) and
2 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
3 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
4 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
5 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
6 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
7 the taxes otherwise due under this chapter the following amounts:

8 **SECTION 362.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

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

14 **SECTION 363.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

15 71.47 (1dx) (b) 3. The amount determined by multiplying the amount
16 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
17 of full-time jobs created in a development zone and not filled by a member of a
18 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
19 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

20 **SECTION 364.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

21 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
22 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
23 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
24 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
25 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,

1 and for which significant capital investment was made and by then subtracting the
2 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
3 under s. 49.147 (3m) (c) for those jobs.

4 **SECTION 365.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

5 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
6 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
7 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
8 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in
9 a development zone and not filled by a member of a targeted group and by then
10 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
11 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

12 **SECTION 366.** 71.47 (1dx) (be) of the statutes is amended to read:

13 71.47 (1dx) (be) *Offset.* A claimant in a development zone under s. 238.395 (1)
14 (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
15 subsection, including any credits carried over, against the amount of the tax
16 otherwise due under this subchapter attributable to all of the claimant's income and
17 against the tax attributable to income from directly related business operations of
18 the claimant.

19 **SECTION 367.** 71.47 (1dx) (bg) of the statutes is amended to read:

20 71.47 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
21 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
22 companies, and tax-option corporations may not claim the credit under this
23 subsection, but the eligibility for, and amount of, that credit shall be determined on
24 the basis of their economic activity, not that of their shareholders, partners, or
25 members. The corporation, partnership, or company shall compute the amount of

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

7 **SECTION 368.** 71.47 (1dx) (c) of the statutes is amended to read:

8 71.47 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
9 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
10 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
11 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395
12 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
13 subsection for the taxable year that includes the day on which the certification is
14 revoked; the taxable year that includes the day on which the person becomes
15 ineligible for tax benefits; or succeeding taxable years and that person may not carry
16 over unused credits from previous years to offset tax under this chapter for the
17 taxable year that includes the day on which certification is revoked; the taxable year
18 that includes the day on which the person becomes ineligible for tax benefits; or
19 succeeding taxable years.

20 **SECTION 369.** 71.47 (1dx) (d) of the statutes is amended to read:

21 71.47 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
22 238.395 (3) or s. 560.795 (3) to claim tax benefits or certified under s. 238.365 (3),
23 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4),
24 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits
25 ceases business operations in the development zone during any of the taxable years

1 that that zone exists, that person may not carry over to any taxable year following
2 the year during which operations cease any unused credits from the taxable year
3 during which operations cease or from previous taxable years.

4 **SECTION 370.** 71.47 (1dy) (a) of the statutes is amended to read:

5 71.47 (1dy) (a) *Definition.* In this subsection, “claimant” means a person who
6 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
7 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
8 2009 stats.

9 **SECTION 371.** 71.47 (1dy) (b) of the statutes is amended to read:

10 71.47 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection
11 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
12 beginning after December 31, 2008, a claimant may claim as a credit against the tax
13 imposed under s. 71.43, up to the amount of the tax, the amount authorized for the
14 claimant under s. 238.303 or s. 560.703, 2009 stats.

15 **SECTION 372.** 71.47 (1dy) (c) 1. of the statutes is amended to read:

16 71.47 (1dy) (c) 1. No credit may be allowed under this subsection unless the
17 claimant includes with the claimant’s return a copy of the claimant’s certification
18 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant’s notice
19 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

20 **SECTION 373.** 71.47 (1dy) (c) 2. of the statutes is amended to read:

21 71.47 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
22 corporations may not claim the credit under this subsection, but the eligibility for,
23 and the amount of, the credit are based on their authorization to claim tax benefits
24 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
25 or tax-option corporation shall compute the amount of credit that each of its

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

5 **SECTION 374.** 71.47 (1dy) (d) 2. of the statutes is amended to read:

6 71.47 (1dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
7 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
8 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
9 subsection for the taxable year that includes the day on which the certification is
10 revoked; the taxable year that includes the day on which the claimant becomes
11 ineligible for tax benefits; or succeeding taxable years and the claimant may not
12 carry over unused credits from previous years to offset the tax imposed under s. 71.43
13 for the taxable year that includes the day on which certification is revoked; the
14 taxable year that includes the day on which the claimant becomes ineligible for tax
15 benefits; or succeeding taxable years.

16 **SECTION 375.** 71.47 (3g) (a) (intro.) of the statutes is amended to read:

17 71.47 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
18 73.03 (35m), and 238.23 and s. 560.96, 2009 stats., a business that is certified under
19 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
20 imposed under s. 71.43 an amount equal to the sum of the following, as established
21 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.:

22 **SECTION 376.** 71.47 (3g) (e) 2. of the statutes is amended to read:

23 71.47 (3g) (e) 2. The investments that relate to the amount described under par.
24 (a) 2. for which a claimant makes a claim under this subsection must be retained for

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1 use in the technology zone for the period during which the claimant's business is
2 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats. ^{^ 2009 stats. ^}

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3 SECTION 377. 71.47 (3g) (f) 1. of the statutes is amended to read:
4 71.47 (3g) (f) 1. A copy of ~~a~~ the verification from the department of commerce
5 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3) and that
6 the business ~~and the department of commerce have~~ has entered into an agreement
7 under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

8 93.535 SECTION 378. 71.47 (3p) (b) of the statutes is amended to read:
9 71.47 (3p) (b) *Filing claims.* Subject to the limitations provided in this
10 subsection and ~~s. 238.18~~ or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
11 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
12 claimant may claim as a credit against the taxes imposed under s. 71.43, up to the
13 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
14 in the taxable year for dairy manufacturing modernization or expansion related to
15 the claimant's dairy manufacturing operation.

16 SECTION 379. 71.47 (3p) (c) 2m. a. of the statutes is amended to read:
17 71.47 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
18 under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2007-08 is
19 \$600,000, as allocated under s. 560.207, 2009 stats.

20 SECTION 380. 71.47 (3p) (c) 2m. b. of the statutes is amended to read:
21 71.47 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
22 by all claimants, other than members of dairy cooperatives, under this subsection
23 and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2008-09, and in each fiscal year
24 thereafter, is \$700,000, as allocated under ~~s. 238.18~~ or s. 560.207, 2009 stats.

25 SECTION 381. 71.47 (3p) (c) 2m. bm. of the statutes is amended to read:

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1 71.47 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
 2 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.28
 3 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
 4 the maximum amount of the credits that may be claimed by members of dairy
 5 cooperatives under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year
 6 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 238.18
 7 or s. 560.207, 2009 stats.

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8 **SECTION 382.** 71.47 (3p) (c) 6. of the statutes is amended to read:

9 71.47 (3p) (c) 6. No credit may be allowed under this subsection unless the
 10 claimant submits with the claimant's return a copy of the claimant's credit
 11 certification and allocation under s. 238.18 or s. 560.207, 2009 stats.

11

12 **SECTION 383.** 71.47 (3q) (a) 1. of the statutes is amended to read:

13 71.47 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
 14 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

15 **SECTION 384.** 71.47 (3q) (a) 2. of the statutes is amended to read:

16 71.47 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
 17 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
 18 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
 19 taxable years beginning after December 31, 2010, and eligible employee under s.
 20 238.16 (1) (b).

21 **SECTION 385.** 71.47 (3q) (b) (intro.) of the statutes is amended to read:

22 71.47 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
 23 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
 24 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
 25 s. 71.43 any of the following:

1 **SECTION 386.** 71.47 (3q) (b) 1. of the statutes is amended to read:

2 71.47 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
3 employee in the taxable year, not to exceed 10 percent of such wages, as determined
4 by the department of commerce under s. 238.16 or s. 560.2055, 2009 stats.

5 **SECTION 387.** 71.47 (3q) (b) 2. of the statutes is amended to read:

6 71.47 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
7 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
8 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

9 **SECTION 388.** 71.47 (3q) (c) 2. of the statutes is amended to read:

10 71.47 (3q) (c) 2. No credit may be allowed under this subsection unless the
11 claimant includes with the claimant's return a copy of the claimant's certification for
12 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

13 **SECTION 389.** 71.47 (3q) (c) 3. of the statutes is amended to read:

14 71.47 (3q) (c) 3. The maximum amount of credits that may be awarded under
15 this subsection and ss. 71.07 (3q) and 71.28 (3q) for the period beginning on January
16 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
17 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

18 **SECTION 390.** 71.47 (3r) (b) of the statutes is amended to read:

19 71.47 (3r) (b) *Filing claims.* Subject to the limitations provided in this
20 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
21 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
22 against the taxes imposed under s. 71.43, up to the amount of the tax, an amount
23 equal to 10 percent of the amount the claimant paid in the taxable year for meat
24 processing modernization or expansion related to the claimant's meat processing
25 operation.

1 **SECTION 391.** 71.47 (3r) (c) 3. a. of the statutes is amended to read:

2 71.47 **(3r)** (c) 3. a. The maximum amount of the credits that may be allocated
3 under this subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2009-10 is
4 \$300,000, as allocated under s. 560.208, 2009 stats.

5 **SECTION 392.** 71.47 (3r) (c) 3. b. of the statutes is amended to read:

6 71.47 **(3r)** (c) 3. b. The maximum amount of the credits that may be allocated
7 under this subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2010-11, and in
8 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
9 2009 stats.

10 **SECTION 393.** 71.47 (3r) (c) 6. of the statutes is amended to read:

11 71.47 **(3r)** (c) 6. No credit may be allowed under this subsection unless the
12 claimant submits with the claimant's return a copy of the claimant's credit
13 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

14 **SECTION 394.** 71.47 (3rm) (b) of the statutes is amended to read:

15 71.47 **(3rm)** (b) *Filing claims.* Subject to the limitations provided in this
16 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
17 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
18 against the taxes imposed under s. 71.43, 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 equipment
20 that is used primarily to harvest or process woody biomass that is used as fuel or as
21 a component of fuel.

22 **SECTION 395.** 71.47 (3rm) (c) 3. of the statutes is amended to read:

23 71.47 **(3rm)** (c) 3. The maximum amount of the credits that may be claimed
24 under this subsection and ss. 71.07 (3rm) and 71.28 (3rm) is \$900,000, as allocated
25 under s. 238.21 or s. 560.209, 2009 stats.

1 **SECTION 396.** 71.47 (3rn) (b) of the statutes is amended to read:

2 71.47 **(3rn)** (b) *Filing claims.* Subject to the limitations provided in this
3 subsection and s. 238.17 or s. ~~506.2056~~ 560.2056, 2009 stats., for taxable years
4 beginning after December 31, 2009, and before January 1, 2017, a claimant may
5 claim as a credit against the tax imposed under s. 71.43, up to the amount of the tax,
6 an amount equal to 10 percent of the amount the claimant paid in the taxable year
7 for food processing or food warehousing modernization or expansion related to the
8 operation of the claimant's food processing plant or food warehouse.

9 **SECTION 397.** 71.47 (3rn) (c) 3. a. of the statutes is amended to read:

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

13 **SECTION 398.** 71.47 (3rn) (c) 3. b. of the statutes is amended to read:

14 71.47 **(3rn)** (c) 3. b. The maximum amount of the credits that may be allocated
15 under this subsection and ss. 71.07 (3rn) and 71.28 (3rn) in fiscal year 2010-11 is
16 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

17 **SECTION 399.** 71.47 (3rn) (c) 3. c. of the statutes is amended to read:

18 71.47 **(3rn)** (c) 3. c. The maximum amount of the credits that may be allocated
19 under this subsection and ss. 71.07 (3rn) and 71.28 (3rn) in fiscal year 2011-12, and
20 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009
21 stats.

22 **SECTION 400.** 71.47 (3rn) (c) 6. of the statutes is amended to read:

23 71.47 **(3rn)** (c) 6. No credit may be allowed under this subsection unless the
24 claimant submits with the claimant's return a copy of the claimant's credit
25 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

1 **SECTION 401.** 71.47 (3t) (b) of the statutes is amended to read:

2 71.47 (3t) (b) *Credit*. Subject to the limitations provided in this subsection and
3 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
4 claimant may claim as a credit, amortized over 15 taxable years starting with the
5 taxable year beginning after December 31, 2007, against the tax imposed under s.
6 71.43, up to the amount of the tax, an amount equal to the claimant's unused credits
7 under s. 71.47 (3).

8 **SECTION 402.** 71.47 (3t) (c) 1. of the statutes is amended to read:

9 71.47 (3t) (c) 1. No credit may be claimed under this subsection unless the
10 claimant submits with the claimant's return a copy of the claimant's certification by
11 the department of commerce under s. 560.28, 2009 stats., except that, with regard
12 to credits claimed by partners of a partnership, members of a limited liability
13 company, or shareholders of a tax-option corporation, the entity shall provide a copy
14 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
15 to submit with his or her return.

16 **SECTION 403.** 71.47 (3w) (a) 2. of the statutes is amended to read:

17 71.47 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
18 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
19 this subsection.

20 **SECTION 404.** 71.47 (3w) (a) 3. of the statutes is amended to read:

21 71.47 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
22 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

23 **SECTION 405.** 71.47 (3w) (a) 4. of the statutes is amended to read:

24 71.47 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
25 or s. 560.799, 2009 stats.

1 **SECTION 406.** 71.47 (3w) (a) 5d. of the statutes is amended to read:

2 71.47 (3w) (a) 5d. “Tier I county or municipality” means a tier I county or
3 municipality, as determined by the department of commerce under s. 238.399 or s.
4 560.799, 2009 stats.

5 **SECTION 407.** 71.47 (3w) (a) 5e. of the statutes is amended to read:

6 71.47 (3w) (a) 5e. “Tier II county or municipality” means a tier II county or
7 municipality, as determined by the department of commerce under s. 238.399 or s.
8 560.799, 2009 stats.

9 **SECTION 408.** 71.47 (3w) (b) (intro.) of the statutes is amended to read:

10 71.47 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
11 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
12 claim as a credit against the tax imposed under s. 71.43 an amount calculated as
13 follows:

14 **SECTION 409.** 71.47 (3w) (b) 5. of the statutes is amended to read:

15 71.47 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
16 percentage determined by the department of commerce under s. 238.399 or s.
17 560.799, 2009 stats., not to exceed 7 percent.

18 **SECTION 410.** 71.47 (3w) (bm) 1. of the statutes is amended to read:

19 71.47 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
20 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
21 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
22 s. 71.43 an amount equal to a percentage, as determined by the department of
23 commerce under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
24 the amount the claimant paid in the taxable year to upgrade or improve the
25 job-related skills of any of the claimant’s full-time employees, to train any of the