

- 1           1. On all taxable income from \$0 to \$10,000, 4.58 percent.
- 2           2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 6.12
- 3 percent.
- 4           3. On all taxable income exceeding \$20,000 but not exceeding \$150,000, 6.47
- 5 percent.
- 6           4. On all taxable income exceeding \$150,000, 6.72 percent.
- 7           **\*-1357/2.12\* SECTION 1838.** 71.06 (2) (ih) of the statutes is created to read:
- 8           71.06 (2) (ih) For joint returns, for taxable years beginning after
- 9 December 31, 2013, and before January 1, 2015:
- 10           1. On all taxable income from \$0 to \$10,000, 4.56 percent.
- 11           2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 6.09
- 12 percent.
- 13           3. On all taxable income exceeding \$20,000 but not exceeding \$150,000, 6.44
- 14 percent.
- 15           4. On all taxable income exceeding \$150,000, 6.69 percent.
- 16           **\*-1357/2.13\* SECTION 1839.** 71.06 (2) (iL) of the statutes is created to read:
- 17           71.06 (2) (iL) For joint returns, for taxable years beginning after
- 18 December 31, 2014, and before January 1, 2016:
- 19           1. On all taxable income from \$0 to \$10,000, 4.54 percent.
- 20           2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 6.06
- 21 percent.
- 22           3. On all taxable income exceeding \$20,000 but not exceeding \$150,000, 6.41
- 23 percent.
- 24           4. On all taxable income exceeding \$150,000, 6.66 percent.
- 25           **\*-1357/2.14\* SECTION 1840.** 71.06 (2) (ip) of the statutes is created to read:

1           71.06 (2) (ip) For joint returns, for taxable years beginning after  
2 December 31, 2015, and before January 1, 2017:

3           1. On all taxable income from \$0 to \$10,000, 4.52 percent.

4           2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 6.03  
5 percent.

6           3. On all taxable income exceeding \$20,000 but not exceeding \$150,000, 6.38  
7 percent.

8           4. On all taxable income exceeding \$150,000, 6.63 percent.

9           \***-1357/2.15\*** SECTION 1841. 71.06 (2) (it) of the statutes is created to read:

10          71.06 (2) (it) For joint returns, for taxable years beginning after  
11 December 31, 2016:

12          1. On all taxable income from \$0 to \$10,000, 4.5 percent.

13          2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 6.0  
14 percent.

15          3. On all taxable income exceeding \$20,000 but not exceeding \$150,000, 6.35  
16 percent.

17          4. On all taxable income exceeding \$150,000, 6.6 percent.

18          \***-1357/2.16\*** SECTION 1842. 71.06 (2) (j) of the statutes is created to read:

19          71.06 (2) (j) For married persons filing separately, for taxable years beginning  
20 after December 31, 2011, and before January 1, 2013:

21          1. On all taxable income from \$0 to \$5,000, 4.6 percent.

22          2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 6.15  
23 percent.

24          3. On all taxable income exceeding \$10,000 but not exceeding \$75,000, 6.5  
25 percent.

1           4. On all taxable income exceeding \$75,000, 6.75 percent.

2           **\*-1357/2.17\* SECTION 1843.** 71.06 (2) (jd) of the statutes is created to read:

3           71.06 (2) (jd) For married persons filing separately, for taxable years beginning  
4 after December 31, 2012, and before January 1, 2014:

5           1. On all taxable income from \$0 to \$5,000, 4.58 percent.

6           2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 6.12  
7 percent.

8           3. On all taxable income exceeding \$10,000 but not exceeding \$75,000, 6.47  
9 percent.

10          4. On all taxable income exceeding \$75,000, 6.72 percent.

11          **\*-1357/2.18\* SECTION 1844.** 71.06 (2) (jh) of the statutes is created to read:

12          71.06 (2) (jh) For married persons filing separately, for taxable years beginning  
13 after December 31, 2013, and before January 1, 2015:

14          1. On all taxable income from \$0 to \$5,000, 4.56 percent.

15          2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 6.09  
16 percent.

17          3. On all taxable income exceeding \$10,000 but not exceeding \$75,000, 6.44  
18 percent.

19          4. On all taxable income exceeding \$75,000, 6.69 percent.

20          **\*-1357/2.19\* SECTION 1845.** 71.06 (2) (jL) of the statutes is created to read:

21          71.06 (2) (jL) For married persons filing separately, for taxable years beginning  
22 after December 31, 2014, and before January 1, 2016:

23          1. On all taxable income from \$0 to \$5,000, 4.54 percent.

24          2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 6.06  
25 percent.

**SECTION 1845**

1           3. On all taxable income exceeding \$10,000 but not exceeding \$75,000, 6.41  
2 percent.

3           4. On all taxable income exceeding \$75,000, 6.66 percent.

4           \*-1357/2.20\* **SECTION 1846.** 71.06 (2) (jp) of the statutes is created to read:

5           71.06 (2) (jp) For married persons filing separately, for taxable years beginning  
6 after December 31, 2015, and before January 1, 2017:

7           1. On all taxable income from \$0 to \$5,000, 4.52 percent.

8           2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 6.03  
9 percent.

10          3. On all taxable income exceeding \$10,000 but not exceeding \$75,000, 6.38  
11 percent.

12          4. On all taxable income exceeding \$75,000, 6.63 percent.

13          \*-1357/2.21\* **SECTION 1847.** 71.06 (2) (jt) of the statutes is created to read:

14          71.06 (2) (jt) For married persons filing separately, for taxable years beginning  
15 after December 31, 2016:

16          1. On all taxable income from \$0 to \$5,000, 4.5 percent.

17          2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 6.0  
18 percent.

19          3. On all taxable income exceeding \$10,000 but not exceeding \$75,000, 6.35  
20 percent.

21          4. On all taxable income exceeding \$75,000, 6.6 percent.

22          \*-1357/2.22\* **SECTION 1848.** 71.06 (2e) (a) of the statutes is amended to read:

23          71.06 (2e) (a) For taxable years beginning after December 31, 1998, and before  
24 January 1, 2000, the maximum dollar amount in each tax bracket, and the  
25 corresponding minimum dollar amount in the next bracket, under subs. (1m) and (2)

1 (c) and (d), and for taxable years beginning after December 31, 1999, the maximum  
2 dollar amount in each tax bracket, and the corresponding minimum dollar amount  
3 in the next bracket, under subs. (1n), (1p) (a) to (c), (1q), (1qd), (1qh), (1qL), (1qp),  
4 (1qt) and (2) (e), (f), (g) 1. to 3., ~~and~~ (h) 1. to 3., (i), (id), (ih), (iL), (ip), (it), (j), (jd), (jh),  
5 (jL), (jp), and (jt), shall be increased each year by a percentage equal to the percentage  
6 change between the U.S. consumer price index for all urban consumers, U.S. city  
7 average, for the month of August of the previous year and the U.S. consumer price  
8 index for all urban consumers, U.S. city average, for the month of August 1997, as  
9 determined by the federal department of labor, except that for taxable years  
10 beginning after December 31, 2000, and before January 1, 2002, the dollar amount  
11 in the top bracket under subs. (1p) (c) and (d), (2) (g) 3. and 4. and (h) 3. and 4. shall  
12 be increased by a percentage equal to the percentage change between the U.S.  
13 consumer price index for all urban consumers, U.S. city average, for the month of  
14 August of the previous year and the U.S. consumer price index for all urban  
15 consumers, U.S. city average, for the month of August 1999, as determined by the  
16 federal department of labor, except that for taxable years beginning after December  
17 31, 2011, the adjustment may occur only if the resulting amount is greater than the  
18 corresponding amount that was calculated for the previous year. Each amount that  
19 is revised under this paragraph shall be rounded to the nearest multiple of \$10 if the  
20 revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5,  
21 such an amount shall be increased to the next higher multiple of \$10. The  
22 department of revenue shall annually adjust the changes in dollar amounts required  
23 under this paragraph and incorporate the changes into the income tax forms and  
24 instructions.

25 **\*-1357/2.23\* SECTION 1849.** 71.06 (2m) of the statutes is amended to read:

1           71.06 **(2m)** RATE CHANGES. If a rate under sub. (1), (1m), (1n), (1p), (1q), (1qd),  
2 (1qh), (1qL), (1qp), (1qt), or (2) changes during a taxable year, the taxpayer shall  
3 compute the tax for that taxable year by the methods applicable to the federal income  
4 tax under section 15 of the internal revenue code.

5           \***-1357/2.24\*** SECTION 1850. 71.06 (2s) (d) of the statutes is amended to read:

6           71.06 **(2s)** (d) For taxable years beginning after December 31, 2000, with  
7 respect to nonresident individuals, including individuals changing their domicile  
8 into or from this state, the tax brackets under subs. (1p), (1q), (1qd), (1qh), (1qL),  
9 (1qp), (1qt), and (2) (g) and, (h), (i), (id), (ih), (iL), (ip), (it), (j), (jd), (jh), (jL), (jp), and  
10 (jt) shall be multiplied by a fraction, the numerator of which is Wisconsin adjusted  
11 gross income and the denominator of which is federal adjusted gross income. In this  
12 paragraph, for married persons filing separately “adjusted gross income” means the  
13 separate adjusted gross income of each spouse, and for married persons filing jointly  
14 “adjusted gross income” means the total adjusted gross income of both spouses. If  
15 an individual and that individual’s spouse are not both domiciled in this state during  
16 the entire taxable year, the tax brackets under subs. (1p), (1q), (1qd), (1qh), (1qL),  
17 (1qp), (1qt), and (2) (g) and, (h), (i), (id), (ih), (iL), (ip), (it), (j), (jd), (jh), (jL), (jp), and  
18 (jt) on a joint return shall be multiplied by a fraction, the numerator of which is their  
19 joint Wisconsin adjusted gross income and the denominator of which is their joint  
20 federal adjusted gross income.

21           \***-1465/P3.400\*** \***-1059/P3.149\*** SECTION 1851. 71.07 (2dd) (b) of the statutes  
22 is amended to read:

23           71.07 **(2dd)** (b) Except as provided in s. 73.03 (35), for any taxable year for  
24 which that person is certified under s. 560.765 (3), 2009 stats., and begins business  
25 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified

1 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified  
2 or entitled a person may credit against taxes otherwise due under this subchapter  
3 employment-related day care expenses, up to \$1,200 for each qualifying individual.

4 **\*-1465/P3.401\* \*-1059/P3.150\* SECTION 1852.** 71.07 (2de) (a) (intro.) of the  
5 statutes is amended to read:

6 71.07 (2de) (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year  
7 for which a person is certified under s. 560.765 (3), 2009 stats., and begins business  
8 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified  
9 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified  
10 or entitled the person may claim as a credit against taxes otherwise due under this  
11 subchapter an amount equal to 7.5% of the amount that the person expends to  
12 remove or contain environmental pollution, as defined in s. 299.01 (4), in the zone or  
13 to restore soil or groundwater that is affected by environmental pollution, as defined  
14 in s. 299.01 (4), in the zone if the person fulfills all of the following requirements:

15 **\*-1465/P3.402\* \*-1059/P3.151\* SECTION 1853.** 71.07 (2de) (a) 1. of the  
16 statutes is amended to read:

17 71.07 (2de) (a) 1. Begins the work, other than planning and investigating, for  
18 which the credit is claimed after the area that includes the site where the work is  
19 done is designated a development zone under s. 560.71, 2009 stats., or an enterprise  
20 development zone under s. 560.797, 2009 stats., and after the claimant is certified  
21 under s. 560.765 (3), 2009 stats., or certified under s. 560.797 (4) (a), 2009 stats.

22 **\*-1465/P3.403\* \*-1059/P3.152\* SECTION 1854.** 71.07 (2di) (a) (intro.) of the  
23 statutes is amended to read:

24 71.07 (2di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),  
25 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,

1 to claim tax benefits, any person may claim as a credit against taxes otherwise due  
2 under this chapter 2.5% of the purchase price of depreciable, tangible personal  
3 property, or 1.75% of the purchase price of depreciable, tangible personal property  
4 that is expensed under section 179 of the internal revenue code for purposes of the  
5 taxes under this chapter, except that:

6 **\*-1465/P3.404\* \*-1059/P3.153\* SECTION 1855.** 71.07 (2di) (a) 1. of the  
7 statutes is amended to read:

8 71.07 (2di) (a) 1. The investment must be in property that is purchased after  
9 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that  
10 is used for at least 50% of its use in the conduct of the person's business operations  
11 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the  
12 property is mobile, the base of operations of the property for at least 50% of its use  
13 must be a location in a development zone.

14 **\*-1465/P3.405\* \*-1059/P3.154\* SECTION 1856.** 71.07 (2di) (b) 2. of the  
15 statutes is amended to read:

16 71.07 (2di) (b) 2. If the claimant is located on an Indian reservation, as defined  
17 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),  
18 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal  
19 enterprise, and if the allowable amount of the credit under this subsection exceeds  
20 the taxes otherwise due under this chapter on or measured by the claimant's income,  
21 the amount of the credit not used as an offset against those taxes shall be certified  
22 to the department of administration for payment to the claimant by check, share  
23 draft or other draft. In this subdivision, "tribal enterprise" means a business that  
24 is at least 51% owned and controlled by the governing body of one or more Indian  
25 tribes, is actively managed by the governing body, or by the designee of the governing

1 body, of one or more Indian tribes and is currently performing a useful business  
2 function.

3 **\*-1465/P3.406\* \*-1059/P3.155\* SECTION 1857.** 71.07 (2di) (b) 3. of the  
4 statutes is amended to read:

5 71.07 **(2di)** (b) 3. Partnerships, limited liability companies and tax-option  
6 corporations may not claim the credit under this subsection, but the eligibility for,  
7 and amount of, that credit shall be determined on the basis of their economic activity,  
8 not that of their shareholders, partners or members. The corporation, partnership  
9 or company shall compute the amount of the credit that may be claimed by each of  
10 its shareholders, partners or members and shall provide that information to each of  
11 its shareholders, partners or members. Partners, members of limited liability  
12 companies and shareholders of tax-option corporations may claim the credit based  
13 on the partnership's, company's or corporation's activities in proportion to their  
14 ownership interest and may offset it against the tax attributable to their income from  
15 the partnership's, company's or corporation's business operations in the  
16 development zone; except that partners, members, and shareholders in a  
17 development zone under s. 560.795 (1) (e), 2009 stats., may offset the credit against  
18 the amount of the tax attributable to their income from all of the partnership's,  
19 company's, or corporation's business operations; and against the tax attributable to  
20 their income from the partnership's, company's or corporation's directly related  
21 business operations.

22 **\*-1465/P3.407\* \*-1059/P3.156\* SECTION 1858.** 71.07 (2di) (d) 1. of the  
23 statutes is amended to read:

24 71.07 **(2di)** (d) 1. A copy of a verification from the department of commerce that  
25 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

1           **\*-1465/P3.408\* \*-1059/P3.157\* SECTION 1859.** 71.07 (2di) (f) of the statutes  
2 is amended to read:

3           71.07 **(2di)** (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to  
4 claim tax benefits becomes ineligible for such tax benefits, that person may claim no  
5 credits under this subsection for the taxable year that includes the day on which the  
6 person becomes ineligible for tax benefits or succeeding taxable years and that  
7 person may carry over no unused credits from previous years to offset tax under this  
8 chapter for the taxable year that includes the day on which the person becomes  
9 ineligible for tax benefits or succeeding taxable years.

10           **\*-1465/P3.409\* \*-1059/P3.158\* SECTION 1860.** 71.07 (2di) (g) of the statutes  
11 is amended to read:

12           71.07 **(2di)** (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to  
13 claim tax benefits ceases business operations in the development zone during any of  
14 the taxable years that that zone exists, that person may not carry over to any taxable  
15 year following the year during which operations cease any unused credits from the  
16 taxable year during which operations cease or from previous taxable years.

17           **\*-1465/P3.410\* \*-1059/P3.159\* SECTION 1861.** 71.07 (2dj) (am) (intro.) of the  
18 statutes is amended to read:

19           71.07 **(2dj)** (am) (intro.) Except as provided under par. (f) or s. 73.03 (35) for any  
20 taxable year for which the person is certified under s. 560.765 (3), 2009 stats., for tax  
21 benefits, any person may claim as a credit against taxes otherwise due under this  
22 chapter an amount calculated as follows:

23           **\*-1465/P3.411\* \*-1059/P3.160\* SECTION 1862.** 71.07 (2dj) (am) 4. a. of the  
24 statutes is amended to read:

1           71.07 (2dj) (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax  
2 benefits before January 1, 1992, modify “qualified wages” as defined in section 51 (b)  
3 of the internal revenue code to exclude wages paid before the claimant is certified for  
4 tax benefits and to exclude wages that are paid to employees for work at any location  
5 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes  
6 of this subd. 4. a., mobile employees work at their base of operations and leased or  
7 rented employees work at the location where they perform services.

8           **\*-1465/P3.412\* \*-1059/P3.161\* SECTION 1863.** 71.07 (2dj) (am) 4. b. of the  
9 statutes is amended to read:

10           71.07 (2dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax  
11 benefits after December 31, 1991, modify “qualified wages” as defined in section 51  
12 (b) of the internal revenue code to exclude wages paid before the claimant is certified  
13 for tax benefits and to exclude wages that are paid to employees for work at any  
14 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For  
15 purposes of this subd. 4. b., mobile employees and leased or rented employees work  
16 at their base of operations.

17           **\*-1465/P3.413\* \*-1059/P3.162\* SECTION 1864.** 71.07 (2dj) (am) 4c. of the  
18 statutes is amended to read:

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

24           **\*-1465/P3.414\* \*-1059/P3.163\* SECTION 1865.** 71.07 (2dj) (am) 4t. of the  
25 statutes is amended to read:

1           71.07 (2dj) (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           **\*-1465/P3.415\* \*-1059/P3.164\* SECTION 1866.** 71.07 (2dj) (e) 1. of the  
9 statutes is amended to read:

10           71.07 (2dj) (e) 1. A copy of the claimant's certification for tax benefits under s.  
11 560.765 (3), 2009 stats.

12           **\*-1465/P3.416\* \*-1059/P3.165\* SECTION 1867.** 71.07 (2dj) (e) 3. a. of the  
13 statutes is amended to read:

14           71.07 (2dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits  
15 before January 1, 1992, a statement from the department of commerce verifying the  
16 amount of qualifying wages and verifying that the employees were hired for work  
17 only in a development zone or are mobile employees whose base of operations is in  
18 a development zone.

19           **\*-1465/P3.417\* \*-1059/P3.166\* SECTION 1868.** 71.07 (2dj) (e) 3. b. of the  
20 statutes is amended to read:

21           71.07 (2dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits  
22 after December 31, 1991, a statement from the department of commerce verifying the  
23 amount of qualifying wages and verifying that the employees were hired for work  
24 only in a development zone or are mobile employees or leased or rented employees  
25 whose base of operations is in a development zone.

1           **\*-1465/P3.418\* \*-1059/P3.167\* SECTION 1869.** 71.07 (2dL) (a) of the statutes  
2 is amended to read:

3           71.07 (2dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03  
4 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009  
5 stats., for tax benefits, any person may claim as a credit against taxes otherwise due  
6 under this subchapter an amount equal to 2.5% of the amount expended by that  
7 person to acquire, construct, rehabilitate or repair real property in a development  
8 zone under subch. VI of ch. 560, 2009 stats.

9           **\*-1465/P3.419\* \*-1059/P3.168\* SECTION 1870.** 71.07 (2dL) (ag) of the  
10 statutes is amended to read:

11           71.07 (2dL) (ag) If the credit under par. (a) is claimed for an amount expended  
12 to construct, rehabilitate, remodel or repair property, the claimant must have begun  
13 the physical work of construction, rehabilitation, remodeling or repair, or any  
14 demolition or destruction in preparation for the physical work, after the place where  
15 the property is located was designated a development zone under s. 560.71, 2009  
16 stats., and the completed project must be placed in service after the claimant is  
17 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, "physical  
18 work" does not include preliminary activities such as planning, designing, securing  
19 financing, researching, developing specifications or stabilizing the property to  
20 prevent deterioration.

21           **\*-1465/P3.420\* \*-1059/P3.169\* SECTION 1871.** 71.07 (2dL) (ar) of the statutes  
22 is amended to read:

23           71.07 (2dL) (ar) If the credit under par. (a) is claimed for an amount expended  
24 to acquire property, the property must have been acquired by the claimant after the  
25 place where the property is located was designated a development zone under s.

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

8 **\*-1465/P3.421\* \*-1059/P3.170\* SECTION 1872.** 71.07 (2dL) (bm) of the  
9 statutes is amended to read:

10 71.07 (2dL) (bm) In calculating the credit under par. (a) a claimant shall reduce  
11 the amount expended to acquire property by a percentage equal to the percentage of  
12 the area of the real property not used for the purposes for which the claimant is  
13 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the  
14 amount expended for other purposes by the amount expended on the part of the  
15 property not used for the purposes for which the claimant is certified to claim tax  
16 benefits under s. 560.765 (3), 2009 stats.

17 **\*-1465/P3.422\* \*-1059/P3.171\* SECTION 1873.** 71.07 (2dL) (c) of the statutes  
18 is amended to read:

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

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

3 **\*-1465/P3.423\* \*-1059/P3.172\* SECTION 1874.** 71.07 (2dm) (a) 1. of the  
4 statutes is amended to read:

5 71.07 (2dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.  
6 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),  
7 238.398 (5), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,  
8 or s. 560.7995 (4), 2009 stats.

9 **\*-1465/P3.424\* \*-1059/P3.173\* SECTION 1875.** 71.07 (2dm) (a) 3. of the  
10 statutes is amended to read:

11 71.07 (2dm) (a) 3. "Development zone" means a development opportunity zone  
12 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or  
13 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.  
14 560.7995, 2009 stats.

15 **\*-1465/P3.425\* \*-1059/P3.174\* SECTION 1876.** 71.07 (2dm) (a) 4. of the  
16 statutes is amended to read:

17 71.07 (2dm) (a) 4. "Previously owned property" means real property that the  
18 claimant or a related person owned during the 2 years prior to the department of  
19 commerce or the Wisconsin Economic Development Corporation designating the  
20 place where the property is located as a development zone and for which the claimant  
21 may not deduct a loss from the sale of the property to, or an exchange of the property  
22 with, the related person under section 267 of the Internal Revenue Code, except that  
23 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns  
24 any part of the property, rather than 50% ownership, the claimant is subject to  
25 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

1           \***-1465/P3.426\*** \***-1059/P3.175\*** SECTION 1877. 71.07 (2dm) (f) 1. of the  
2 statutes is amended to read:

3           71.07 (2dm) (f) 1. A copy of a the verification from the department of commerce  
4 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)  
5 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or  
6 s. or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009  
7 stats.

8           \***-1465/P3.427\*** \***-1059/P3.176\*** SECTION 1878. 71.07 (2dm) (f) 2. of the  
9 statutes is amended to read:

10           71.07 (2dm) (f) 2. A statement from the department of commerce or the  
11 Wisconsin Economic Development Corporation verifying the purchase price of the  
12 investment and verifying that the investment fulfills the requirements under par.  
13 (b).

14           \***-1465/P3.428\*** \***-1059/P3.177\*** SECTION 1879. 71.07 (2dm) (i) of the statutes  
15 is amended to read:

16           71.07 (2dm) (i) Partnerships, limited liability companies, and tax-option  
17 corporations may not claim the credit under this subsection, but the eligibility for,  
18 and the amount of, that credit shall be determined on the basis of their economic  
19 activity, not that of their shareholders, partners, or members. The corporation,  
20 partnership, or limited liability company shall compute the amount of credit that  
21 may be claimed by each of its shareholders, partners, or members and provide that  
22 information to its shareholders, partners, or members. Partners, members of limited  
23 liability companies, and shareholders of tax-option corporations may claim the  
24 credit based on the partnership's, company's, or corporation's activities in proportion  
25 to their ownership interest and may offset it against the tax attributable to their

1 income from the partnership's, company's, or corporation's business operations in the  
2 development zone; except that partners, members, and shareholders in a  
3 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset  
4 the credit against the amount of the tax attributable to their income.

5 **\*-1465/P3.429\* \*-1059/P3.178\* SECTION 1880.** 71.07 (2dm) (j) of the statutes  
6 is amended to read:

7 71.07 (2dm) (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795  
8 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,  
9 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.  
10 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is  
11 revoked, that person may claim no credits under this subsection for the taxable year  
12 that includes the day on which the person becomes ineligible for tax benefits, the  
13 taxable year that includes the day on which the certification is revoked, or succeeding  
14 taxable years, and that person may carry over no unused credits from previous years  
15 to offset tax under this chapter for the taxable year that includes the day on which  
16 the person becomes ineligible for tax benefits, the taxable year that includes the day  
17 on which the certification is revoked, or succeeding taxable years.

18 **\*-1465/P3.430\* \*-1059/P3.179\* SECTION 1881.** 71.07 (2dm) (k) of the statutes  
19 is amended to read:

20 71.07 (2dm) (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.  
21 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),  
22 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,  
23 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone  
24 during any of the taxable years that that zone exists, that person may not carry over  
25 to any taxable year following the year during which operations cease any unused

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

3 **\*-1465/P3.431\* \*-1059/P3.180\* SECTION 1882.** 71.07 (2dr) (a) of the statutes  
4 is amended to read:

5 71.07 (2dr) (a) *Credit.* Any person may credit against taxes otherwise due  
6 under this chapter an amount equal to 5% of the amount obtained by subtracting  
7 from the person's qualified research expenses, as defined in section 41 of the internal  
8 revenue code, except that "qualified research expenses" include only expenses  
9 incurred by the claimant in a development zone under subch. VI of ch. 560, 2009  
10 stats., except that a taxpayer may elect the alternative computation under section  
11 41 (c) (4) of the Internal Revenue Code and that election applies until the department  
12 permits its revocation and except that "qualified research expenses" do not include  
13 compensation used in computing the credit under sub. (2dj) nor research expenses  
14 incurred before the claimant is certified for tax benefits under s. 560.765 (3), 2009  
15 stats., the person's base amount, as defined in section 41 (c) of the internal revenue  
16 code, in a development zone, except that gross receipts used in calculating the base  
17 amount means gross receipts from sales attributable to Wisconsin under s. 71.04 (7)  
18 (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj) 1. and (dk) 1. and research expenses  
19 used in calculating the base amount include research expenses incurred before the  
20 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., in a  
21 development zone, if the claimant submits with the claimant's return a copy of the  
22 claimant's certification for tax benefits under s. 560.765 (3) 2009 stats., and a  
23 statement from the department of commerce verifying the claimant's qualified  
24 research expenses for research conducted exclusively in a development zone. The  
25 rules under s. 73.03 (35) apply to the credit under this paragraph. The rules under

1 sub. (2di) (f) and (g), as they apply to the credit under that subsection, apply to claims  
2 under this paragraph. Section 41 (h) of the internal revenue code does not apply to  
3 the credit under this paragraph.

4 **\*-1465/P3.432\* \*-1059/P3.181\* SECTION 1883.** 71.07 (2dr) (b) of the statutes  
5 is amended to read:

6 71.07 (2dr) (b) *Development opportunity zones.* The development zones  
7 research credit under par. (a), as it applies to a person certified under s. 560.765 (3),  
8 2009 stats., applies to a person that conducts economic activity in a development  
9 opportunity zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits  
10 under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats.  
11 A development opportunity zone credit under this paragraph may be calculated  
12 using expenses incurred by a claimant beginning on the effective date under s.  
13 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the  
14 area in which the claimant conducts economic activity.

15 **\*-1465/P3.433\* \*-1059/P3.182\* SECTION 1884.** 71.07 (2ds) (a) 1. of the  
16 statutes is amended to read:

17 71.07 (2ds) (a) 1. "Development zone" means a zone designated under s. 560.71,  
18 2009 stats.

19 **\*-1465/P3.434\* \*-1059/P3.183\* SECTION 1885.** 71.07 (2ds) (b) of the statutes  
20 is amended to read:

21 71.07 (2ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for  
22 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,  
23 for tax benefits, any person may claim as a credit against taxes otherwise due under  
24 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases  
25 and rentals of eligible property. Partnerships, limited liability companies and

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1 tax-option corporations may not claim the credit under this subsection, but the  
2 eligibility for, and the amount of, that credit shall be determined on the basis of their  
3 economic activity, not that of their partners, members or shareholders. The  
4 partnership, limited liability company or corporation shall compute the amount of  
5 credit that may be claimed by each of its partners, members or shareholders and  
6 shall provide that information to each of its partners, members or shareholders.  
7 Partners, members of a limited liability company and shareholders of tax-option  
8 corporations may claim the credit based on the partnership's, company's or  
9 corporation's activities in proportion to their ownership interest.

10 **\*-1465/P3.435\* \*-1059/P3.184\* SECTION 1886.** 71.07 (2ds) (d) 1. of the  
11 statutes is amended to read:

12 71.07 (2ds) (d) 1. A copy of the claimant's certification for tax benefits under  
13 s. 560.765 (3), 2009 stats.

14 **\*-1465/P3.436\* \*-1059/P3.185\* SECTION 1887.** 71.07 (2dx) (a) 2. of the  
15 statutes is amended to read:

16 71.07 (2dx) (a) 2. "Development zone" means a development zone under s.  
17 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or  
18 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.  
19 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.  
20 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.  
21 560.7995, 2009 stats.

22 **\*-1195/1.129\* SECTION 1888.** 71.07 (2dx) (a) 5. of the statutes is amended to  
23 read:

24 71.07 (2dx) (a) 5. "Member of a targeted group" means a person who resides  
25 in an area designated by the federal government as an economic revitalization area,

1 a person who is employed in an unsubsidized job but meets the eligibility  
2 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,  
3 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,  
4 real pay project position under s. 49.147 (3m), a person who is eligible for child care  
5 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an  
6 economically disadvantaged youth, an economically disadvantaged veteran, a  
7 supplemental security income recipient, a general assistance recipient, an  
8 economically disadvantaged ex-convict, a qualified summer youth employee, as  
9 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or  
10 a ~~food stamp~~ recipient of benefits under the supplemental nutrition assistance  
11 program under 7 USC 2011 to 2036, if the person has been certified in the manner  
12 under sub. (2dj) (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

13 \***-1465/P3.437\*** \***-1059/P3.186\*** SECTION 1889. 71.07 (2dx) (b) (intro.) of the  
14 statutes is amended to read:

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

22 \***-1465/P3.438\*** \***-1059/P3.187\*** SECTION 1890. 71.07 (2dx) (b) 2. of the  
23 statutes is amended to read:

24 71.07 (2dx) (b) 2. The amount determined by multiplying the amount  
25 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number

1 of full-time jobs created in a development zone and filled by a member of a targeted  
2 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the  
3 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

4 **\*-1465/P3.439\* \*-1059/P3.188\* SECTION 1891.** 71.07 (2dx) (b) 3. of the  
5 statutes is amended to read:

6 71.07 (2dx) (b) 3. The amount determined by multiplying the amount  
7 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number  
8 of full-time jobs created in a development zone and not filled by a member of a  
9 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or  
10 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

11 **\*-1465/P3.440\* \*-1059/P3.189\* SECTION 1892.** 71.07 (2dx) (b) 4. of the  
12 statutes is amended to read:

13 71.07 (2dx) (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 (2dj), 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 **\*-1465/P3.441\* \*-1059/P3.190\* SECTION 1893.** 71.07 (2dx) (b) 5. of the  
22 statutes is amended to read:

23 71.07 (2dx) (b) 5. The amount determined by multiplying the amount  
24 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number  
25 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,

1 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in  
2 a development zone and not filled by a member of a targeted group and by then  
3 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and  
4 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

5 **\*-1465/P3.442\* \*-1059/P3.191\* SECTION 1894.** 71.07 (2dx) (be) of the statutes  
6 is amended to read:

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

13 **\*-1465/P3.443\* \*-1059/P3.192\* SECTION 1895.** 71.07 (2dx) (bg) of the statutes  
14 is amended to read:

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

1 corporation's activities in proportion to their ownership interest and may offset it  
2 against the tax attributable to their income.

3 **\*-1465/P3.444\* \*-1059/P3.193\* SECTION 1896.** 71.07 (2dx) (c) of the statutes  
4 is amended to read:

5 71.07 (2dx) (c) *Credit precluded.* If the certification of a person for tax benefits  
6 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009  
7 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009  
8 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395  
9 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this  
10 subsection for the taxable year that includes the day on which the certification is  
11 revoked; the taxable year that includes the day on which the person becomes  
12 ineligible for tax benefits; or succeeding taxable years and that person may not carry  
13 over unused credits from previous years to offset tax under this chapter for the  
14 taxable year that includes the day on which certification is revoked; the taxable year  
15 that includes the day on which the person becomes ineligible for tax benefits; or  
16 succeeding taxable years.

17 **\*-1465/P3.445\* \*-1059/P3.194\* SECTION 1897.** 71.07 (2dx) (d) of the statutes  
18 is amended to read:

19 71.07 (2dx) (d) *Carry-over precluded.* If a person who is entitled under s.  
20 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.  
21 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.  
22 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for  
23 tax benefits ceases business operations in the development zone during any of the  
24 taxable years that that zone exists, that person may not carry over to any taxable

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

3 **\*-1465/P3.446\* \*-1059/P3.195\* SECTION 1898.** 71.07 (2dy) (a) of the statutes  
4 is amended to read:

5 71.07 (2dy) (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 **\*-1465/P3.447\* \*-1059/P3.196\* SECTION 1899.** 71.07 (2dy) (b) of the statutes  
10 is amended to read:

11 71.07 (2dy) (b) *Filing claims.* Subject to the limitations under this subsection  
12 and ss. 238.301 to 238.306 or ss. 560.701 to 560.706, 2009 stats., for taxable years  
13 beginning after December 31, 2008, a claimant may claim as a credit against the tax  
14 imposed under s. 71.02 or 71.08, up to the amount of the tax, the amount authorized  
15 for the claimant under s. 238.303 or s. 560.703, 2009 stats.

16 **\*-1465/P3.448\* \*-1059/P3.197\* SECTION 1900.** 71.07 (2dy) (c) 1. of the  
17 statutes is amended to read:

18 71.07 (2dy) (c) 1. No credit may be allowed under this subsection unless the  
19 claimant includes with the claimant's return a copy of the claimant's certification  
20 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice  
21 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

22 **\*-1465/P3.449\* \*-1059/P3.198\* SECTION 1901.** 71.07 (2dy) (c) 2. of the  
23 statutes is amended to read:

24 71.07 (2dy) (c) 2. Partnerships, limited liability companies, and tax-option  
25 corporations may not claim the credit under this subsection, but the eligibility for,

## SECTION 1901

1 and the amount of, the credit are based on their authorization to claim tax benefits  
2 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,  
3 or tax-option corporation shall compute the amount of credit that each of its  
4 partners, members, or shareholders may claim and shall provide that information  
5 to each of them. Partners, members of limited liability companies, and shareholders  
6 of tax-option corporations may claim the credit in proportion to their ownership  
7 interests.

8 **\*-1465/P3.450\* \*-1059/P3.199\* SECTION 1902.** 71.07 (2dy) (d) 2. of the  
9 statutes is amended to read:

10 71.07 (2dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.  
11 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.  
12 238.302 or s. 560.702, 2009 stats., the claimant 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 claimant becomes  
15 ineligible for tax benefits; or succeeding taxable years and the claimant may not  
16 carry over unused credits from previous years to offset the tax imposed under s. 71.02  
17 or 71.08 for the taxable year that includes the day on which certification is revoked;  
18 the taxable year that includes the day on which the claimant becomes ineligible for  
19 tax benefits; or succeeding taxable years.

20 **\*-1465/P3.451\* \*-1059/P3.200\* SECTION 1903.** 71.07 (3g) (a) (intro.) of the  
21 statutes is amended to read:

22 71.07 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.  
23 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under  
24 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes

1 imposed under s. 71.02 an amount equal to the sum of the following, as established  
2 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats:

3 **\*-1465/P3.452\* \*-1059/P3.201\* SECTION 1904.** 71.07 (3g) (b) of the statutes  
4 is amended to read:

5 71.07 (3g) (b) The department of revenue shall notify the department of  
6 commerce or the Wisconsin Economic Development Corporation of all claims under  
7 this subsection.

8 **\*-1465/P3.453\* \*-1059/P3.202\* SECTION 1905.** 71.07 (3g) (e) 2. of the statutes  
9 is amended to read:

10 71.07 (3g) (e) 2. The investments that relate to the amount described under par.  
11 (a) 2. for which a claimant makes a claim under this subsection must be retained for  
12 use in the technology zone for the period during which the claimant's business is  
13 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

14 **\*-1465/P3.454\* \*-1059/P3.203\* SECTION 1906.** 71.07 (3g) (f) 1. of the statutes  
15 is amended to read:

16 71.07 (3g) (f) 1. A copy of ~~a~~ the verification from the department of commerce  
17 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009  
18 stats., and that the business and the department of commerce have has entered into  
19 an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

20 **\*-1465/P3.455\* \*-1059/P3.204\* SECTION 1907.** 71.07 (3g) (f) 2. of the statutes  
21 is amended to read:

22 71.07 (3g) (f) 2. A statement from the department of commerce or the Wisconsin  
23 Economic Development Corporation verifying the purchase price of the investment  
24 described under par. (a) 2. and verifying that the investment fulfills the requirement  
25 under par. (e) 2.

1           \***-1465/P3.456\*** \***-1059/P3.205\*** SECTION 1908. 71.07 (3p) (b) of the statutes  
2 is amended to read:

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

10          \***-1465/P3.457\*** \***-1059/P3.206\*** SECTION 1909. 71.07 (3p) (c) 2m. a. of the  
11 statutes is amended to read:

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

15          \***-1465/P3.458\*** \***-1059/P3.207\*** SECTION 1910. 71.07 (3p) (c) 2m. b. of the  
16 statutes is amended to read:

17          71.07 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed  
18 by all claimants, other than members of dairy cooperatives, under this subsection  
19 and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year  
20 thereafter, is \$700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

21          \***-1465/P3.459\*** \***-1059/P3.208\*** SECTION 1911. 71.07 (3p) (c) 2m. bm. of the  
22 statutes is amended to read:

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

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

5 **\*-0170/P1.1\* SECTION 1912.** 71.07 (3p) (c) 3. of the statutes is amended to read:

6 71.07 (3p) (c) 3. Partnerships, limited liability companies, tax-option  
7 corporations, and dairy cooperatives may not claim the credit under this subsection,  
8 but the eligibility for, and the amount of, the credit are based on their payment of  
9 expenses under par. (b), except that the aggregate amount of credits that ~~the entity~~  
10 a dairy cooperative may compute shall not exceed \$200,000 for each of the ~~entity's~~  
11 cooperative's dairy manufacturing facilities. A partnership, limited liability  
12 company, tax-option corporation, or dairy cooperative shall compute the amount of  
13 credit that each of its partners, members, or shareholders may claim and shall  
14 provide that information to each of them. Partners, members of limited liability  
15 companies, and shareholders of tax-option corporations may claim the credit in  
16 proportion to their ownership interest. Members of a dairy cooperative may claim  
17 the credit in proportion to the amount of milk that each member delivers to the dairy  
18 cooperative, as determined by the dairy cooperative.

19 **\*-1465/P3.460\* \*-1059/P3.209\* SECTION 1913.** 71.07 (3p) (c) 6. of the statutes  
20 is amended to read:

21 71.07 (3p) (c) 6. No credit may be allowed under this subsection unless the  
22 claimant submits with the claimant's return a copy of the claimant's credit  
23 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

24 **\*-1465/P3.461\* \*-1059/P3.210\* SECTION 1914.** 71.07 (3q) (a) 1. of the statutes  
25 is amended to read:

**SECTION 1914**

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

3           **\*-1465/P3.462\* \*-1059/P3.211\* SECTION 1915.** 71.07 (3q) (a) 2. of the statutes  
4 is amended to read:

5           71.07 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before  
6 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who  
7 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for  
8 taxable years beginning after December 31, 2010, an eligible employee under s.  
9 238.16 (1) (b).

10           **\*-1465/P3.463\* \*-1059/P3.212\* SECTION 1916.** 71.07 (3q) (b) (intro.) of the  
11 statutes is amended to read:

12           71.07 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this  
13 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after  
14 December 31, 2009, a claimant may claim as a credit against the taxes imposed under  
15 ss. 71.02 and 71.08 any of the following.

16           **\*-1465/P3.464\* \*-1059/P3.213\* SECTION 1917.** 71.07 (3q) (b) 1. of the statutes  
17 is amended to read:

18           71.07 (3q) (b) 1. The amount of wages that the claimant paid to an eligible  
19 employee in the taxable year, not to exceed 10 percent of such wages, as determined  
20 by the Wisconsin Economic Development Corporation under s. 238.16 or the  
21 department of commerce under s. 560.2055, 2009 stats.

22           **\*-1465/P3.465\* \*-1059/P3.214\* SECTION 1918.** 71.07 (3q) (b) 2. of the statutes  
23 is amended to read:

1           71.07 (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           **\*-1465/P3.466\* \*-1059/P3.215\* SECTION 1919.** 71.07 (3q) (c) 2. of the statutes  
5 is amended to read:

6           71.07 (3q) (c) 2. No credit may be allowed under this subsection unless the  
7 claimant includes with the claimant's return a copy of the claimant's certification for  
8 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

9           **\*-1465/P3.467\* \*-1059/P3.216\* SECTION 1920.** 71.07 (3q) (c) 3. of the statutes  
10 is amended to read:

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

15           **\*-1465/P3.468\* \*-1059/P3.217\* SECTION 1921.** 71.07 (3r) (b) of the statutes  
16 is amended to read:

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

24           **\*-1465/P3.469\* \*-1059/P3.218\* SECTION 1922.** 71.07 (3r) (c) 3. a. of the  
25 statutes is amended to read:

## SECTION 1922

1           71.07 (3r) (c) 3. a. The maximum amount of the credits that may be allocated  
2 under this subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2009-10 is  
3 \$300,000, as allocated under s. 560.208, 2009 stats.

4           **\*-1465/P3.470\* \*-1059/P3.219\* SECTION 1923.** 71.07 (3r) (c) 3. b. of the  
5 statutes is amended to read:

6           71.07 (3r) (c) 3. b. The maximum amount of the credits that may be allocated  
7 under this subsection and ss. 71.28 (3r) and 71.47 (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           **\*-1465/P3.471\* \*-1059/P3.220\* SECTION 1924.** 71.07 (3r) (c) 6. of the statutes  
11 is amended to read:

12           71.07 (3r) (c) 6. No credit may be allowed under this subsection unless the  
13 claimant submits with the claimant's return a copy of the claimant's credit  
14 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

15           **\*-1465/P3.472\* \*-1059/P3.221\* SECTION 1925.** 71.07 (3rm) (b) of the statutes  
16 is amended to read:

17           71.07 (3rm) (b) *Filing claims.* Subject to the limitations provided in this  
18 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after  
19 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit  
20 against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax, an  
21 amount equal to 10 percent of the amount the claimant paid in the taxable year for  
22 equipment that is used primarily to harvest or process woody biomass that is used  
23 as fuel or as a component of fuel.

24           **\*-1465/P3.473\* \*-1059/P3.222\* SECTION 1926.** 71.07 (3rm) (c) 3. of the  
25 statutes is amended to read:

1           71.07 (3rn) (c) 3. The maximum amount of the credits that may be claimed  
2 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) is \$900,000, as allocated  
3 under s. 238.21 or s. 560.209, 2009 stats.

4           **\*-1465/P3.474\* \*-1059/P3.223\* SECTION 1927.** 71.07 (3rn) (b) of the statutes  
5 is amended to read:

6           71.07 (3rn) (b) *Filing claims.* Subject to the limitations provided in this  
7 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years  
8 beginning after December 31, 2009, and before January 1, 2017, a claimant may  
9 claim as a credit against the tax imposed under ss. 71.02 and 71.08, up to the amount  
10 of the tax, an amount equal to 10 percent of the amount the claimant paid in the  
11 taxable year for food processing or food warehousing modernization or expansion  
12 related to the operation of the claimant's food processing plant or food warehouse.

13           **\*-1465/P3.475\* \*-1059/P3.224\* SECTION 1928.** 71.07 (3rn) (c) 3. a. of the  
14 statutes is amended to read:

15           71.07 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated  
16 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is  
17 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

18           **\*-1465/P3.476\* \*-1059/P3.225\* SECTION 1929.** 71.07 (3rn) (c) 3. b. of the  
19 statutes is amended to read:

20           71.07 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated  
21 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is  
22 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

23           **\*-1465/P3.477\* \*-1059/P3.226\* SECTION 1930.** 71.07 (3rn) (c) 3. c. of the  
24 statutes is amended to read:

1           71.07 **(3rn)** (c) 3. c. The maximum amount of the credits that may be allocated  
2 under this subsection and ss. 71.28 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and  
3 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009  
4 stats.

5           \***-1465/P3.478\*** \***-1059/P3.227\*** SECTION 1931. 71.07 (3rn) (c) 6. of the  
6 statutes is amended to read:

7           71.07 **(3rn)** (c) 6. No credit may be allowed under this subsection unless the  
8 claimant submits with the claimant's return a copy of the claimant's credit  
9 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

10           \***-1465/P3.479\*** \***-1059/P3.228\*** SECTION 1932. 71.07 (3t) (b) of the statutes  
11 is amended to read:

12           71.07 **(3t)** (b) *Credit*. Subject to the limitations provided in this subsection and  
13 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a  
14 claimant may claim as a credit, amortized over 15 taxable years starting with the  
15 taxable year beginning after December 31, 2007, against the tax imposed under s.  
16 71.02 and 71.08, up to the amount of the tax, an amount equal to the claimant's  
17 unused credits under s. 71.07 (3s).

18           \***-1465/P3.480\*** \***-1059/P3.229\*** SECTION 1933. 71.07 (3t) (c) 1. of the statutes  
19 is amended to read:

20           71.07 **(3t)** (c) 1. No credit may be claimed under this subsection unless the  
21 claimant submits with the claimant's return a copy of the claimant's certification by  
22 the department of commerce under s. 560.28, 2009 stats., except that, with regard  
23 to credits claimed by partners of a partnership, members of a limited liability  
24 company, or shareholders of a tax-option corporation, the entity shall provide a copy

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

3 **\*-1465/P3.481\* \*-1059/P3.230\* SECTION 1934.** 71.07 (3w) (a) 2. of the  
4 statutes is amended to read:

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

8 **\*-1465/P3.482\* \*-1059/P3.231\* SECTION 1935.** 71.07 (3w) (a) 3. of the  
9 statutes is amended to read:

10 71.07 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined  
11 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

12 **\*-1465/P3.483\* \*-1059/P3.232\* SECTION 1936.** 71.07 (3w) (a) 4. of the  
13 statutes is amended to read:

14 71.07 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399  
15 or s. 560.799, 2009 stats.

16 **\*-1465/P3.484\* \*-1059/P3.233\* SECTION 1937.** 71.07 (3w) (a) 5d. of the  
17 statutes is amended to read:

18 71.07 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or  
19 municipality, as determined by ~~the department of commerce~~ under s. 238.399 or s.  
20 560.799, 2009 stats.

21 **\*-1465/P3.485\* \*-1059/P3.234\* SECTION 1938.** 71.07 (3w) (a) 5e. of the  
22 statutes is amended to read:

23 71.07 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or  
24 municipality, as determined by ~~the department of commerce~~ under s. 238.399 or s.  
25 560.799, 2009 stats.

1           **\*-1465/P3.486\* \*-1059/P3.235\* SECTION 1939.** 71.07 (3w) (b) (intro.) of the  
2 statutes is amended to read:

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

7           **\*-1465/P3.487\* \*-1059/P3.236\* SECTION 1940.** 71.07 (3w) (b) 5. of the  
8 statutes is amended to read:

9           71.07 (3w) (b) 5. Multiply the amount determined under subd. 4. by the  
10 percentage determined by ~~the department of commerce~~ under s. 238.399 or s.  
11 560.799, 2009 stats., not to exceed 7 percent.

12           **\*-1465/P3.488\* \*-1059/P3.237\* SECTION 1941.** 71.07 (3w) (bm) 1. of the  
13 statutes is amended to read:

14           71.07 (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. 71.02 or 71.08 an amount equal to a percentage, as determined ~~by the department~~  
18 ~~of commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent,  
19 of 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.

1           \***-1465/P3.489\*** \***-1059/P3.238\*** SECTION 1942. 71.07 (3w) (bm) 2. of the  
2 statutes is amended to read:

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

17           \***-1465/P3.490\*** \***-1059/P3.239\*** SECTION 1943. 71.07 (3w) (bm) 3. of the  
18 statutes is amended to read:

19           71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and  
20 4., and subject to the limitations provided in this subsection and s. 238.399 or s.  
21 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant  
22 may claim as a credit against the tax imposed under s. 71.02 or 71.08 up to 10 percent  
23 of the claimant's significant capital expenditures, as determined by the ~~department~~  
24 ~~of commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

**SECTION 1944**

1           **\*-1465/P3.491\* \*-1059/P3.240\* SECTION 1944.** 71.07 (3w) (bm) 4. of the  
2 statutes is amended to read:

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

12           **\*-1465/P3.492\* \*-1059/P3.241\* SECTION 1945.** 71.07 (3w) (c) 3. of the statutes  
13 is amended to read:

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

17           **\*-1465/P3.493\* \*-1059/P3.242\* SECTION 1946.** 71.07 (3w) (d) of the statutes  
18 is amended to read:

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

24           **\*-1465/P3.494\* \*-1059/P3.243\* SECTION 1947.** 71.07 (5b) (a) 2. of the statutes  
25 is amended to read:

1           71.07 (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           **\*-1465/P3.495\* \*-1059/P3.244\* SECTION 1948.** 71.07 (5b) (b) 1. of the statutes  
4           is amended to read:

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

11          **\*-1465/P3.496\* \*-1059/P3.245\* SECTION 1949.** 71.07 (5b) (b) 2. of the statutes  
12          is amended to read:

13          71.07 (5b) (b) 2. In the case of a partnership, limited liability company, or  
14          tax-option corporation, the computation of the 25 percent limitation under subd. 1.  
15          shall be determined at the entity level rather than the claimant level and may be  
16          allocated among the claimants who make investments in the manner set forth in the  
17          entity's organizational documents. The entity shall provide to the department of  
18          revenue and to the department of commerce or the Wisconsin Economic  
19          Development Corporation the names and tax identification numbers of the  
20          claimants, the amounts of the credits allocated to the claimants, and the  
21          computation of the allocations.

22          **\*-0167/P1.1\* SECTION 1950.** 71.07 (5b) (d) 3. of the statutes is amended to  
23          read:

24          71.07 (5b) (d) 3. For ~~calendar years beginning~~ investments made after  
25          December 31, 2007, if an investment for which a claimant claims a credit under par.

1 (b) is held by the claimant for less than 3 years, the claimant shall pay to the  
2 department, in the manner prescribed by the department, the amount of the credit  
3 that the claimant received related to the investment.

4 **\*-1465/P3.497\* \*-1059/P3.246\* SECTION 1951.** 71.07 (5d) (a) 1. (intro.) of the  
5 statutes is amended to read:

6 71.07 (5d) (a) 1. (intro.) "Bona fide angel investment" means a purchase of an  
7 equity interest, or any other expenditure, as determined by rule under s. 238.15 or  
8 s. 560.205, 2009 stats., that is made by any of the following:

9 **\*-0169/P2.1\* SECTION 1952.** 71.07 (5d) (a) 2m. of the statutes is amended to  
10 read:

11 71.07 (5d) (a) 2m. "Person" means a partnership ~~or~~, limited liability company,  
12 or tax-option corporation that is a nonoperating entity, as determined by the  
13 department of commerce, a natural person, or fiduciary.

14 **\*-1465/P3.498\* \*-1059/P3.247\* SECTION 1953.** 71.07 (5d) (a) 3. of the statutes  
15 is amended to read:

16 71.07 (5d) (a) 3. "Qualified new business venture" means a business that is  
17 certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

18 **\*-1465/P3.499\* \*-1059/P3.248\* SECTION 1954.** 71.07 (5d) (b) (intro.) of the  
19 statutes is amended to read:

20 71.07 (5d) (b) *Filing claims.* (intro.) Subject to the limitations provided in this  
21 subsection and in s. 238.15 or s. 560.205, 2009 stats., a claimant may claim as a credit  
22 against the tax imposed under s. 71.02 or 71.08, up to the amount of those taxes, the  
23 following:

24 **\*-1465/P3.500\* \*-1059/P3.249\* SECTION 1955.** 71.07 (5d) (b) 1. of the statutes  
25 is amended to read:

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

6           **\*-1465/P3.501\* \*-1059/P3.250\* SECTION 1956.** 71.07 (5d) (b) 2. of the statutes  
7 is amended to read:

8           71.07 (5d) (b) 2. For taxable years beginning after December 31, 2007, for the  
9 taxable year certified by the department of commerce or the Wisconsin Economic  
10 Development Corporation, an amount equal to 25 percent of the claimant's bona fide  
11 angel investment made directly in a qualified new business venture.

12           **\*-1465/P3.502\* \*-1059/P3.251\* SECTION 1957.** 71.07 (5d) (c) 2. of the statutes  
13 is amended to read:

14           71.07 (5d) (c) 2. For taxable years beginning before January 1, 2008, the  
15 maximum amount of a claimant's investment that may be used as the basis for a  
16 credit under this subsection is \$2,000,000 for each investment made directly in a  
17 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

18           **\*-0169/P2.2\* SECTION 1958.** 71.07 (5d) (c) 3m. of the statutes is amended to  
19 read:

20           71.07 (5d) (c) 3m. Partnerships ~~and~~, limited liability companies, and  
21 tax-option corporations may not claim the credit under this subsection, but the  
22 eligibility for, and the amount of, the credit are based on their payment of amounts  
23 under par. (b). A partnership ~~or~~, limited liability company, or tax-option corporation  
24 shall compute the amount of credit that each of its partners ~~or~~, members, or  
25 shareholders may claim and shall provide that information to each of them. Partners

1 ~~and~~, members of limited liability companies, and shareholders of tax-option  
2 corporations may claim the credit in proportion to their ownership interest or as  
3 specially allocated in their organizational documents.

4 **\*-0167/P1.2\* SECTION 1959.** 71.07 (5d) (d) 1. of the statutes is amended to  
5 read:

6 71.07 **(5d)** (d) 1. For ~~calendar years beginning investments made~~ after  
7 December 31, 2007, if an investment for which a claimant claims a credit under par.  
8 (b) is held by the claimant for less than 3 years, the claimant shall pay to the  
9 department, in the manner prescribed by the department, the amount of the credit  
10 that the claimant received related to the investment.

11 **\*-1465/P3.503\* \*-1059/P3.252\* SECTION 1960.** 71.07 (5f) (a) 1. (intro.) of the  
12 statutes is amended to read:

13 71.07 **(5f)** (a) 1. “Accredited production” means a film, video, broadcast  
14 advertisement, or television production, as approved by the department of commerce  
15 or the Wisconsin Economic Development Corporation, for which the aggregate salary  
16 and wages included in the cost of the production for the period ending 12 months  
17 after the month in which the principal filming or taping of the production begins  
18 exceeds \$50,000. “Accredited production” also means an electronic game, as  
19 approved by the department of commerce or the Wisconsin Economic Development  
20 Corporation, for which the aggregate salary and wages included in the cost of the  
21 production for the period ending 36 months after the month in which the principal  
22 programming, filming, or taping of the production begins exceeds \$100,000.  
23 “Accredited production” does not include any of the following, regardless of the  
24 production costs:

1           **\*-1465/P3.504\* \*-1059/P3.253\* SECTION 1961.** 71.07 (5f) (a) 3. of the statutes  
2 is amended to read:

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

12           **\*-1465/P3.505\* \*-1059/P3.254\* SECTION 1962.** 71.07 (5f) (c) 6. of the statutes  
13 is amended to read:

14           71.07 (5f) (c) 6. No credit may be allowed under this subsection unless the  
15 claimant files an application with the department of commerce or the Wisconsin  
16 Economic Development Corporation, at the time and in the manner prescribed by the  
17 department of commerce or the Wisconsin Economic Development Corporation, and  
18 the department of commerce or the Wisconsin Economic Development Corporation  
19 approves the application. The claimant shall submit a fee with the application in an  
20 amount equal to 2 percent of the claimant’s budgeted production expenditures or to  
21 \$5,000, whichever is less. The claimant shall submit a copy of the approved  
22 application with the claimant’s return.

23           **\*-1465/P3.506\* \*-1059/P3.255\* SECTION 1963.** 71.07 (5h) (c) 4. of the statutes  
24 is amended to read:

1           71.07 (5h) (c) 4. No claim may be allowed under this subsection unless the  
2 department of commerce or the Wisconsin Economic Development Corporation  
3 certifies, in writing, that the credits claimed under this subsection are for expenses  
4 related to establishing or operating a film production company in this state and the  
5 claimant submits a copy of the certification with the claimant's return.

6           \*~~1465/P3.507~~\* \*~~1059/P3.256~~\* SECTION 1964. 71.07 (5i) (c) 1. of the statutes  
7 is amended to read:

8           71.07 (5i) (c) 1. The maximum amount of the credits that may be claimed under  
9 this subsection and ss. 71.28 (5i) and 71.47 (5i) in a taxable year is \$10,000,000, as  
10 allocated under s. 238.14 or s. 560.204, 2009 stats.

11           \*~~1465/P3.508~~\* \*~~0808/2.241~~\* SECTION 1965. 71.07 (5j) (a) 2d. of the statutes  
12 is amended to read:

13           71.07 (5j) (a) 2d. "Diesel replacement renewable fuel" includes biodiesel and  
14 any other fuel derived from a renewable resource that meets all of the applicable  
15 requirements of the American Society for Testing and Materials for that fuel and that  
16 the department of commerce or the department of safety and professional services  
17 designates by rule as a diesel replacement renewable fuel.

18           \*~~1465/P3.509~~\* \*~~0808/2.242~~\* SECTION 1966. 71.07 (5j) (a) 2m. of the statutes  
19 is amended to read:

20           71.07 (5j) (a) 2m. "Gasoline replacement renewable fuel" includes ethanol and  
21 any other fuel derived from a renewable resource that meets all of the applicable  
22 requirements of the American Society for Testing and Materials for that fuel and that  
23 the department of commerce or the department of safety and professional services  
24 designates by rule as a gasoline replacement renewable fuel.

1           **\*-1465/P3.510\* \*-0808/2.243\* SECTION 1967.** 71.07 (5j) (c) 3. of the statutes  
2 is amended to read:

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

8           **\*-1187/P4.411\* SECTION 1968.** 71.07 (5r) (a) 6. a. of the statutes is amended  
9 to read:

10           71.07 (5r) (a) 6. a. A University of Wisconsin System institution, the University  
11 of Wisconsin-Madison, a technical college system institution, or a regionally  
12 accredited 4-year nonprofit college or university having its regional headquarters  
13 and principal place of business in this state.

14           **\*-1147/1.1\* SECTION 1969.** 71.07 (9e) (af) (intro.) of the statutes is amended  
15 to read:

16           71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,  
17 and before January 1, 2011, any natural person may credit against the tax imposed  
18 under s. 71.02 an amount equal to one of the following percentages of the federal  
19 basic earned income credit for which the person is eligible for the taxable year under  
20 section 32 (b) (1) (A) to (C) of the ~~internal revenue code~~ Internal Revenue Code:

21           **\*-1147/1.2\* SECTION 1970.** 71.07 (9e) (aj) of the statutes is created to read:

22           71.07 (9e) (aj) For taxable years beginning after December 31, 2010, an  
23 individual may credit against the tax imposed under s. 71.02 an amount equal to one  
24 of the following percentages of the federal basic earned income credit for which the

1 person is eligible for the taxable year under section 32 (b) (1) (A) to (C) of the Internal  
2 Revenue Code:

3 1. If the person has one qualifying child who has the same principal place of  
4 abode as the person, 5 percent.

5 2. If the person has 2 qualifying children who have the same principal place of  
6 abode as the person, 8 percent.

7 3. If the person has 3 or more qualifying children who have the same principal  
8 place of abode as the person, 40 percent.

9 **\*-0778/3.30\* SECTION 1971.** 71.10 (3) (title) of the statutes is amended to read:

10 71.10 (3) (title) ~~CAMPAIGN FUND FUNDS, BEFORE 2012.~~

11 **\*-0778/3.31\* SECTION 1972.** 71.10 (3) (c) of the statutes is created to read:

12 71.10 (3) (c) This subsection does not apply to a taxable year that begins after  
13 December 31, 2011.

14 **\*-0778/3.32\* SECTION 1973.** 71.10 (3e) of the statutes is created to read:

15 71.10 (3e) CAMPAIGN FUNDS, AFTER 2011. (a) *Definition.* In this subsection,  
16 “department” means the department of revenue.

17 (b) *Voluntary payments.* 1. ‘Designation on return.’ Every individual filing an  
18 income tax return who has a tax liability or is entitled to a tax refund may designate  
19 on the return \$3 of additional payment or \$3 of a refund due that individual for the  
20 Wisconsin election campaign fund and the democracy trust fund for the use of eligible  
21 candidates under ss. 11.50 to 11.522. If the individuals filing a joint return have a  
22 tax liability or are entitled to a tax refund, each individual may make a designation  
23 of \$3 under this subsection.

24 2. ‘Designation added to tax owed.’ If the individual owes any tax, the  
25 individual shall remit in full the tax due and the amount designated on the return

1 for the Wisconsin election campaign fund and the democracy trust fund when the  
2 individual files a tax return.

3 3. 'Designation deducted from refund.' Except as provided under par. (d), if the  
4 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80  
5 (3) and (3m), the department shall deduct the amount designated on the return for  
6 the Wisconsin election campaign fund and the democracy trust fund from the amount  
7 of the refund.

8 (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails  
9 to remit an amount equal to or in excess of the total of the actual tax due, after error  
10 corrections, and the amount designated on the return for the Wisconsin election  
11 campaign fund and the democracy trust fund:

12 1. The department shall reduce the designation for the Wisconsin election  
13 campaign fund and the democracy trust fund to reflect the amount remitted in excess  
14 of the actual tax due, after error corrections, if the individual remitted an amount  
15 in excess of the actual tax due, after error corrections, but less than the total of the  
16 actual tax due, after error corrections, and the amount originally designated on the  
17 return for the Wisconsin election campaign fund and the democracy trust fund.

18 2. The designation for the Wisconsin election campaign fund and the  
19 democracy trust fund is void if the individual remitted an amount equal to or less  
20 than the actual tax due, after error corrections.

21 (d) *Errors; insufficient refund.* If an individual who is owed a refund which does  
22 not equal or exceed the amount designated on the return for the Wisconsin election  
23 campaign fund and the democracy trust fund, after crediting under ss. 71.75 (9) and  
24 71.80 (3) and (3m) and after error corrections, the department shall reduce the  
25 designation for the Wisconsin election campaign fund and the democracy trust fund

1 to reflect the actual amount of the refund the individual is otherwise owed, after  
2 crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error corrections.

3 (e) *Conditions.* If an individual places any conditions on a designation for the  
4 Wisconsin election campaign fund or the democracy trust fund, the designation is  
5 void.

6 (f) *Void designation.* If a designation for the Wisconsin election campaign fund  
7 and the democracy trust fund is void, the department shall disregard the designation  
8 and determine amounts due, owed, refunded, and received without regard to the void  
9 designation.

10 (g) *Tax return.* The secretary of revenue shall provide a place for the  
11 designations under this subsection on the individual income tax return and, on forms  
12 printed by the department, the secretary shall highlight that place on the return by  
13 a symbol chosen by the government accountability board that relates to the  
14 Wisconsin election campaign fund and the democracy trust fund.

15 (h) *Certification of amounts.* Annually, on or before August 15, the secretary  
16 of revenue shall certify to the government accountability board, the department of  
17 administration and the state treasurer all of the following:

18 1. The total amount of the administrative costs, including data processing  
19 costs, incurred by the department in administering this subsection during the  
20 previous fiscal year.

21 2. The total amount received from all designations for the Wisconsin election  
22 campaign fund and the democracy trust fund made by taxpayers during the previous  
23 fiscal year.

1           3. The net amount remaining after the administrative costs, including data  
2           processing costs, under subd. 1. are subtracted from the total received under subd.  
3           2.

4           (i) *Confidentiality.* The names of persons making designations under this  
5           subsection shall be strictly confidential.

6           (j) *Appropriations.* From the moneys received from designations for the  
7           Wisconsin election campaign fund and the democracy trust fund, an amount equal  
8           to the sum of administrative expenses, including data processing costs, certified  
9           under par. (h) 1. shall be deposited in the general fund and credited to the  
10          appropriation under s. 20.566 (1) (hp), and two-thirds of the net amount remaining  
11          certified under par. (h) 3. shall be deposited in the democracy trust fund and  
12          one-third of the net amount remaining certified under par. (h) 3. shall be deposited  
13          in the Wisconsin election campaign fund.

14          (k) *Amounts subject to refund.* Amounts designated for the Wisconsin election  
15          campaign fund and the democracy trust fund under this subsection are not subject  
16          to refund to the taxpayer unless the taxpayer submits information to the satisfaction  
17          of the department, within 18 months after the date taxes are due or the date the  
18          return is filed, whichever is later, that the amount designated is clearly in error. Any  
19          refund granted by the department under this paragraph shall be deducted from the  
20          moneys received under this subsection in the fiscal year that the refund is certified.

21          (L) This subsection first applies to taxable years beginning after December 31,  
22          2011.

23          \*-1187/P4.412\* **SECTION 1974.** 71.10 (5f) (i) of the statutes is amended to read:

24          71.10 (5f) (i) *Appropriations and payment.* From the moneys received from  
25          designations for the breast cancer research program, an amount equal to the sum of

## SECTION 1974

1 administrative expenses, including data processing costs, certified under par. (h) 1.  
2 shall be deposited in the general fund and credited to the appropriation account  
3 under s. 20.566 (1) (hp), and, of the net amount remaining that is certified under par.  
4 (h) 3., an amount equal to 50 percent shall be credited to the appropriation account  
5 under s. 20.250 (2) (g) and an amount equal to 50 percent shall be credited to the  
6 ~~appropriation account under s. 20.285 (1) (gm)~~ paid to the University of  
7 Wisconsin-Madison for breast cancer research conducted by the University of  
8 Wisconsin Carbone Cancer Center.

9 **\*-1187/P4.413\* SECTION 1975.** 71.10 (5h) (i) of the statutes is amended to read:

10 71.10 (5h) (i) *Appropriations, disbursement of funds to the fund and payment.*

11 From the moneys received from designations for the prostate cancer research  
12 program, an amount equal to the sum of administrative expenses, including data  
13 processing costs, certified under par. (h) 1. shall be deposited in the general fund and  
14 credited to the appropriation account under s. 20.566 (1) (hp), and of the net amount  
15 remaining that is certified under par. (h) 3. an amount equal to 50 percent shall be  
16 credited to the appropriation accounts account under ss. s. 20.250 (2) (h) and 20.285  
17 (1) (gm) and amount equal to 50 percent shall be paid to the University of  
18 Wisconsin-Madison, for the use specified under s. 255.054 (1).

19 **\*-1357/2.25\* SECTION 1976.** 71.125 (1) of the statutes is amended to read:

20 71.125 (1) Except as provided in sub. (2), the tax imposed by this chapter on  
21 individuals and the rates under s. 71.06 (1), (1m), (1n), (1p), (1q), (1qd), (1qh),  
22 (1qL), (1qp), (1qt), and (2) shall apply to the Wisconsin taxable income of estates or  
23 trusts, except nuclear decommissioning trust or reserve funds, and that tax shall be  
24 paid by the fiduciary.

25 **\*-1357/2.26\* SECTION 1977.** 71.125 (2) of the statutes is amended to read: