

BILL

1 71.47 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
2 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
3 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
4 or s. 560.7995 (4), 2009 stats.

5 **SECTION 2040.** 71.47 (1dm) (a) 3. of the statutes is amended to read:

6 71.47 (1dm) (a) 3. "Development zone" means a development opportunity zone
7 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or
8 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
9 560.7995, 2009 stats.

10 **SECTION 2041.** 71.47 (1dm) (a) 4. of the statutes is amended to read:

11 71.47 (1dm) (a) 4. "Previously owned property" means real property that the
12 claimant or a related person owned during the 2 years prior to the department of
13 commerce or the Wisconsin Economic Development Corporation designating the
14 place where the property is located as a development zone and for which the claimant
15 may not deduct a loss from the sale of the property to, or an exchange of the property
16 with, the related person under section 267 of the Internal Revenue Code, except that
17 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns
18 any part of the property, rather than 50% ownership, the claimant is subject to
19 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

20 **SECTION 2042.** 71.47 (1dm) (f) 1. of the statutes is amended to read:

21 71.47 (1dm) (f) 1. A copy of ~~a the verification from the department of commerce~~
22 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)
23 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or
24 s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

25 **SECTION 2043.** 71.47 (1dm) (f) 2. of the statutes is amended to read:

BILL**SECTION 2043**

1 71.47 (1dm) (f) 2. A statement from the department of commerce or the
2 Wisconsin Economic Development Corporation verifying the purchase price of the
3 investment and verifying that the investment fulfills the requirements under par.
4 (b).

5 **SECTION 2044.** 71.47 (1dm) (i) of the statutes is amended to read:

6 71.47 (1dm) (i) Partnerships, limited liability companies, and tax-option
7 corporations may not claim the credit under this subsection, but the eligibility for,
8 and the amount of, that credit shall be determined on the basis of their economic
9 activity, not that of their shareholders, partners, or members. The corporation,
10 partnership, or limited liability company shall compute the amount of credit that
11 may be claimed by each of its shareholders, partners, or members and provide that
12 information to its shareholders, partners, or members. Partners, members of limited
13 liability companies, and shareholders of tax-option corporations may claim the
14 credit based on the partnership's, company's, or corporation's activities in proportion
15 to their ownership interest and may offset it against the tax attributable to their
16 income from the partnership's, company's, or corporation's business operations in the
17 development zone; except that partners, members, and shareholders in a
18 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
19 the credit against the amount of the tax attributable to their income.

20 **SECTION 2045.** 71.47 (1dm) (j) of the statutes is amended to read:

21 71.47 (1dm) (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
22 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
23 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
24 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
25 revoked, that person may claim no credits under this subsection for the taxable year

BILL

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

7 **SECTION 2046.** 71.47 (1dm) (k) of the statutes is amended to read:

8 71.47 (1dm) (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.
9 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
10 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
11 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
12 during any of the taxable years that that zone exists, that person may not carry over
13 to any taxable year following the year during which operations cease any unused
14 credits from the taxable year during which operations cease or from previous taxable
15 years.

16 **SECTION 2047.** 71.47 (1ds) (a) 1. of the statutes is amended to read:

17 71.47 (1ds) (a) 1. "Development zone" means a zone designated under s. 560.71,
18 2009 stats.

19 **SECTION 2048.** 71.47 (1ds) (b) of the statutes is amended to read:

20 71.47 (1ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
21 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
22 for tax benefits, any person may claim as a credit against taxes otherwise due under
23 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
24 and rentals of eligible property. Partnerships, limited liability companies and
25 tax-option corporations may not claim the credit under this subsection but the

BILL**SECTION 2048**

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

9 **SECTION 2049.** 71.47 (1ds) (d) 1. of the statutes is amended to read:

10 71.47 (1ds) (d) 1. A copy of the claimant's certification for tax benefits under
11 s. 560.765 (3), 2009 stats.

12 **SECTION 2050.** 71.47 (1dx) (a) 2. of the statutes is amended to read:

13 71.47 (1dx) (a) 2. "Development zone" means a development zone under s.
14 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
15 s. 560.795, 2009 stats., or an enterprise development zone under s. 238.397 or s.
16 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
17 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
18 560.7995, 2009 stats.

19 **SECTION 2051.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

20 71.47 (1dx) (a) 5. "Member of a targeted group" means a person who resides
21 in an area designated by the federal government as an economic revitalization area,
22 a person who is employed in an unsubsidized job but meets the eligibility
23 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
24 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
25 real pay project position under s. 49.147 (3m), a person who is eligible for child care

BILL

1 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
2 economically disadvantaged youth, an economically disadvantaged veteran, a
3 supplemental security income recipient, a general assistance recipient, an
4 economically disadvantaged ex-convict, a qualified summer youth employee, as
5 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
6 a ~~food stamp~~ recipient of supplemental nutrition assistance program benefits under
7 7 USC 2011 to 2036, if the person has been certified in the manner under sub. (1dj)
8 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

9 **SECTION 2052.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

10 71.47 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
11 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
12 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
13 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
14 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
15 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
16 the taxes otherwise due under this chapter the following amounts:

17 **SECTION 2053.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

18 71.47 (1dx) (b) 2. The amount determined by multiplying the amount
19 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
20 of full-time jobs created in a development zone and filled by a member of a targeted
21 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
22 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

23 **SECTION 2054.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

24 71.47 (1dx) (b) 3. The amount determined by multiplying the amount
25 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number

BILL**SECTION 2054**

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

4 **SECTION 2055.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

5 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
6 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
7 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
8 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
9 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
10 and for which significant capital investment was made and by then subtracting the
11 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
12 under s. 49.147 (3m) (c) for those jobs.

13 **SECTION 2056.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

14 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
15 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
16 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
17 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in
18 a development zone and not filled by a member of a targeted group and by then
19 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
20 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

21 **SECTION 2057.** 71.47 (1dx) (be) of the statutes is amended to read:

22 71.47 (1dx) (be) *Offset.* A claimant in a development zone under s. 238.395 (1)
23 (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
24 subsection, including any credits carried over, against the amount of the tax
25 otherwise due under this subchapter attributable to all of the claimant's income and

BILL

1 against the tax attributable to income from directly related business operations of
2 the claimant.

3 **SECTION 2058.** 71.47 (1dx) (bg) of the statutes is amended to read:

4 71.47 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
5 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
6 companies, and tax-option corporations may not claim the credit under this
7 subsection, but the eligibility for, and amount of, that credit shall be determined on
8 the basis of their economic activity, not that of their shareholders, partners, or
9 members. The corporation, partnership, or company shall compute the amount of
10 the credit that may be claimed by each of its shareholders, partners, or members and
11 shall provide that information to each of its shareholders, partners, or members.
12 Partners, members of limited liability companies, and shareholders of tax-option
13 corporations may claim the credit based on the partnership's, company's, or
14 corporation's activities in proportion to their ownership interest and may offset it
15 against the tax attributable to their income.

16 **SECTION 2059.** 71.47 (1dx) (c) of the statutes is amended to read:

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

BILL**SECTION 2059**

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

4 **SECTION 2060.** 71.47 (1dx) (d) of the statutes is amended to read:

5 71.47 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
6 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
7 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
8 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
9 tax benefits ceases business operations in the development zone during any of the
10 taxable years that that zone exists, that person may not carry over to any taxable
11 year following the year during which operations cease any unused credits from the
12 taxable year during which operations cease or from previous taxable years.

13 **SECTION 2061.** 71.47 (1dy) (a) of the statutes is amended to read:

14 71.47 (1dy) (a) *Definition.* In this subsection, "claimant" means a person who
15 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
16 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
17 2009 stats.

18 **SECTION 2062.** 71.47 (1dy) (b) of the statutes is amended to read:

19 71.47 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection
20 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
21 beginning after December 31, 2008, a claimant may claim as a credit against the tax
22 imposed under s. 71.43, up to the amount of the tax, the amount authorized for the
23 claimant under s. 238.303 or s. 560.703, 2009 stats.

24 **SECTION 2063.** 71.47 (1dy) (c) 1. of the statutes is amended to read:

BILL

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

5 **SECTION 2064.** 71.47 (1dy) (c) 2. of the statutes is amended to read:

6 71.47 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
7 corporations may not claim the credit under this subsection, but the eligibility for,
8 and the amount of, the credit are based on their authorization to claim tax benefits
9 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
10 or tax-option corporation shall compute the amount of credit that each of its
11 partners, members, or shareholders may claim and shall provide that information
12 to each of them. Partners, members of limited liability companies, and shareholders
13 of tax-option corporations may claim the credit in proportion to their ownership
14 interests.

15 **SECTION 2065.** 71.47 (1dy) (d) 2. of the statutes is amended to read:

16 71.47 (1dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
17 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
18 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
19 subsection for the taxable year that includes the day on which the certification is
20 revoked; the taxable year that includes the day on which the claimant becomes
21 ineligible for tax benefits; or succeeding taxable years and the claimant may not
22 carry over unused credits from previous years to offset the tax imposed under s. 71.43
23 for the taxable year that includes the day on which certification is revoked; the
24 taxable year that includes the day on which the claimant becomes ineligible for tax
25 benefits; or succeeding taxable years.

BILL**SECTION 2066**

1 **SECTION 2066.** 71.47 (3g) (a) (intro.) of the statutes is amended to read:

2 71.47 **(3g)** (a) (intro.) Subject to the limitations under this subsection and ss.
3 73.03 (35m), and 238.23 and s. 560.96, 2009 stats., a business that is certified under
4 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
5 imposed under s. 71.43 an amount equal to the sum of the following, as established
6 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats:

7 **SECTION 2067.** 71.47 (3g) (b) of the statutes is amended to read:

8 71.47 **(3g)** (b) The department of revenue shall notify the department of
9 commerce or the Wisconsin Economic Development Corporation of all claims under
10 this subsection.

11 **SECTION 2068.** 71.47 (3g) (e) 2. of the statutes is amended to read:

12 71.47 **(3g)** (e) 2. The investments that relate to the amount described under par.
13 (a) 2. for which a claimant makes a claim under this subsection must be retained for
14 use in the technology zone for the period during which the claimant's business is
15 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

16 **SECTION 2069.** 71.47 (3g) (f) 1. of the statutes is amended to read:

17 71.47 **(3g)** (f) 1. A copy of ~~a~~ the verification from the department of commerce
18 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009
19 stats., and that the business ~~and the department of commerce have~~ has entered into
20 an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

21 **SECTION 2070.** 71.47 (3g) (f) 2. of the statutes is amended to read:

22 71.47 **(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.

BILL

1 **SECTION 2071.** 71.47 (3p) (b) of the statutes is amended to read:

2 71.47 (3p) (b) *Filing claims.* Subject to the limitations provided in this
3 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
4 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
5 claimant may claim as a credit against the taxes imposed under s. 71.43, up to the
6 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
7 in the taxable year for dairy manufacturing modernization or expansion related to
8 the claimant's dairy manufacturing operation.

9 **SECTION 2072.** 71.47 (3p) (c) 2m. a. of the statutes is amended to read:

10 71.47 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
11 under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2007-08 is
12 \$600,000, as allocated under s. 560.207, 2009 stats.

13 **SECTION 2073.** 71.47 (3p) (c) 2m. b. of the statutes is amended to read:

14 71.47 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
15 by all claimants, other than members of dairy cooperatives, under this subsection
16 and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2008-09, and in each fiscal year
17 thereafter, is \$700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

18 **SECTION 2074.** 71.47 (3p) (c) 2m. bm. of the statutes is amended to read:

19 71.47 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
20 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.28
21 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
22 the maximum amount of the credits that may be claimed by members of dairy
23 cooperatives under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year
24 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 93.535
25 or s. 560.207, 2009 stats.

BILL**SECTION 2075**

1 **SECTION 2075.** 71.47 (3p) (c) 3. of the statutes is amended to read:

2 71.47 (3p) (c) 3. Partnerships, limited liability companies, tax-option
3 corporations, and dairy cooperatives may not claim the credit under this subsection,
4 but the eligibility for, and the amount of, the credit are based on their payment of
5 expenses under par. (b), except that the aggregate amount of credits that ~~the entity~~
6 a dairy cooperative may compute shall not exceed \$200,000 for each of the entity's
7 cooperative's dairy manufacturing facilities. A partnership, limited liability
8 company, tax-option corporation, or dairy cooperative shall compute the amount of
9 credit that each of its partners, members, or shareholders may claim and shall
10 provide that information to each of them. Partners, members of limited liability
11 companies, and shareholders of tax-option corporations may claim the credit in
12 proportion to their ownership interest. Members of a dairy cooperative may claim
13 the credit in proportion to the amount of milk that each member delivers to the dairy
14 cooperative, as determined by the dairy cooperative.

15 **SECTION 2076.** 71.47 (3p) (c) 6. of the statutes is amended to read:

16 71.47 (3p) (c) 6. No credit may be allowed under this subsection unless the
17 claimant submits with the claimant's return a copy of the claimant's credit
18 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

19 **SECTION 2077.** 71.47 (3q) (a) 1. of the statutes is amended to read:

20 71.47 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
21 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

22 **SECTION 2078.** 71.47 (3q) (a) 2. of the statutes is amended to read:

23 71.47 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
24 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
25 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for

BILL

1 taxable years beginning after December 31, 2010, and eligible employee under s.
2 238.16 (1) (b).

3 **SECTION 2079.** 71.47 (3q) (b) (intro.) of the statutes is amended to read:

4 71.47 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
5 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
6 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
7 s. 71.43 any of the following:

8 **SECTION 2080.** 71.47 (3q) (b) 1. of the statutes is amended to read:

9 71.47 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
10 employee in the taxable year, not to exceed 10 percent of such wages, as determined
11 by the department of commerce under s. 238.16 or s. 560.2055, 2009 stats.

12 **SECTION 2081.** 71.47 (3q) (b) 2. of the statutes is amended to read:

13 71.47 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
14 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
15 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

16 **SECTION 2082.** 71.47 (3q) (c) 2. of the statutes is amended to read:

17 71.47 (3q) (c) 2. No credit may be allowed under this subsection unless the
18 claimant includes with the claimant's return a copy of the claimant's certification for
19 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

20 **SECTION 2083.** 71.47 (3q) (c) 3. of the statutes is amended to read:

21 71.47 (3q) (c) 3. The maximum amount of credits that may be awarded under
22 this subsection and ss. 71.07 (3q) and 71.28 (3q) for the period beginning on January
23 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
24 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

25 **SECTION 2084.** 71.47 (3r) (b) of the statutes is amended to read:

BILL**SECTION 2084**

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

8 **SECTION 2085.** 71.47 (3r) (c) 3. a. of the statutes is amended to read:

9 71.47 (3r) (c) 3. a. The maximum amount of the credits that may be allocated
10 under this subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2009-10 is
11 \$300,000, as allocated under s. 560.208, 2009 stats.

12 **SECTION 2086.** 71.47 (3r) (c) 3. b. of the statutes is amended to read:

13 71.47 (3r) (c) 3. b. The maximum amount of the credits that may be allocated
14 under this subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2010-11, and in
15 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
16 2009 stats.

17 **SECTION 2087.** 71.47 (3r) (c) 6. of the statutes is amended to read:

18 71.47 (3r) (c) 6. No credit may be allowed under this subsection unless the
19 claimant submits with the claimant's return a copy of the claimant's credit
20 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

21 **SECTION 2088.** 71.47 (3rm) (b) of the statutes is amended to read:

22 71.47 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
23 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
24 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
25 against the taxes imposed under s. 71.43, up to the amount of the tax, an amount

BILL

1 equal to 10 percent of the amount the claimant paid in the taxable year for equipment
2 that is used primarily to harvest or process woody biomass that is used as fuel or as
3 a component of fuel.

4 **SECTION 2089.** 71.47 (3rm) (c) 3. of the statutes is amended to read:

5 71.47 (3rm) (c) 3. The maximum amount of the credits that may be claimed
6 under this subsection and ss. 71.07 (3rm) and 71.28 (3rm) is \$900,000, as allocated
7 under s. 238.21 or s. 560.209, 2009 stats.

8 **SECTION 2090.** 71.47 (3rn) (b) of the statutes is amended to read:

9 71.47 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
10 subsection and s. 238.17 or s. ~~506.2056~~ 560.2056, 2009 stats., for taxable years
11 beginning after December 31, 2009, and before January 1, 2017, a claimant may
12 claim as a credit against the tax imposed under s. 71.43, up to the amount of the tax,
13 an amount equal to 10 percent of the amount the claimant paid in the taxable year
14 for food processing or food warehousing modernization or expansion related to the
15 operation of the claimant's food processing plant or food warehouse.

16 **SECTION 2091.** 71.47 (3rn) (c) 3. a. of the statutes is amended to read:

17 71.47 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated
18 under this subsection and ss. 71.07 (3rn) and 71.28 (3rn) in fiscal year 2009-10 is
19 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

20 **SECTION 2092.** 71.47 (3rn) (c) 3. b. of the statutes is amended to read:

21 71.47 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
22 under this subsection and ss. 71.07 (3rn) and 71.28 (3rn) in fiscal year 2010-11 is
23 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

24 **SECTION 2093.** 71.47 (3rn) (c) 3. c. of the statutes is amended to read:

BILL**SECTION 2093**

1 71.47 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
2 under this subsection and ss. 71.07 (3rn) and 71.28 (3rn) in fiscal year 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 **SECTION 2094.** 71.47 (3rn) (c) 6. of the statutes is amended to read:

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

9 **SECTION 2095.** 71.47 (3t) (b) of the statutes is amended to read:

10 71.47 (3t) (b) *Credit.* Subject to the limitations provided in this subsection and
11 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
12 claimant may claim as a credit, amortized over 15 taxable years starting with the
13 taxable year beginning after December 31, 2007, against the tax imposed under s.
14 71.43, up to the amount of the tax, an amount equal to the claimant's unused credits
15 under s. 71.47 (3).

16 **SECTION 2096.** 71.47 (3t) (c) 1. of the statutes is amended to read:

17 71.47 (3t) (c) 1. No credit may be claimed under this subsection unless the
18 claimant submits with the claimant's return a copy of the claimant's certification by
19 the department of commerce under s. 560.28, 2009 stats., except that, with regard
20 to credits claimed by partners of a partnership, members of a limited liability
21 company, or shareholders of a tax-option corporation, the entity shall provide a copy
22 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
23 to submit with his or her return.

24 **SECTION 2097.** 71.47 (3w) (a) 2. of the statutes is amended to read:

BILL

1 71.47 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
2 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
3 this subsection.

4 **SECTION 2098.** 71.47 (3w) (a) 3. of the statutes is amended to read:

5 71.47 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
6 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

7 **SECTION 2099.** 71.47 (3w) (a) 4. of the statutes is amended to read:

8 71.47 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
9 or s. 560.799, 2009 stats.

10 **SECTION 2100.** 71.47 (3w) (a) 5d. of the statutes is amended to read:

11 71.47 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
12 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
13 560.799, 2009 stats.

14 **SECTION 2101.** 71.47 (3w) (a) 5e. of the statutes is amended to read:

15 71.47 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
16 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
17 560.799, 2009 stats.

18 **SECTION 2102.** 71.47 (3w) (b) (intro.) of the statutes is amended to read:

19 71.47 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
20 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
21 claim as a credit against the tax imposed under s. 71.43 an amount calculated as
22 follows:

23 **SECTION 2103.** 71.47 (3w) (b) 5. of the statutes is amended to read:

BILL**SECTION 2103**

1 71.47 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
2 percentage determined by the department of commerce under s. 238.399 or s.
3 560.799, 2009 stats., not to exceed 7 percent.

4 **SECTION 2104.** 71.47 (3w) (bm) 1. of the statutes is amended to read:

5 71.47 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
6 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
7 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
8 s. 71.43 an amount equal to a percentage, as determined by the department of
9 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
10 the amount the claimant paid in the taxable year to upgrade or improve the
11 job-related skills of any of the claimant's full-time employees, to train any of the
12 claimant's full-time employees on the use of job-related new technologies, or to
13 provide job-related training to any full-time employee whose employment with the
14 claimant represents the employee's first full-time job. This subdivision does not
15 apply to employees who do not work in an enterprise zone.

16 **SECTION 2105.** 71.47 (3w) (bm) 2. of the statutes is amended to read:

17 71.47 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
18 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
19 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
20 s. 71.43 an amount equal to the percentage, as determined by the department of
21 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the
22 claimant's zone payroll paid in the taxable year to all of the claimant's full-time
23 employees whose annual wages are greater than \$20,000 in a tier I county or
24 municipality, not including the wages paid to the employees determined under par.
25 (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the

BILL

1 wages paid to the employees determined under par. (b) 1., and who the claimant
2 employed in the enterprise zone in the taxable year, if the total number of such
3 employees is equal to or greater than the total number of such employees in the base
4 year. A claimant may claim a credit under this subdivision for no more than 5
5 consecutive taxable years.

6 **SECTION 2106.** 71.47 (3w) (bm) 3. of the statutes is amended to read:

7 71.47 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
8 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
9 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
10 may claim as a credit against the tax imposed under s. 71.43 up to 10 percent of the
11 claimant's significant capital expenditures, as determined ~~by the department of~~
12 ~~commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

13 **SECTION 2107.** 71.47 (3w) (bm) 4. of the statutes is amended to read:

14 71.47 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
15 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
16 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
17 may claim as a credit against the tax imposed under s. 71.43, up to 1 percent of the
18 amount that the claimant paid in the taxable year to purchase tangible personal
19 property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from
20 Wisconsin vendors, as determined ~~by the department of commerce~~ under s. 238.399
21 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the
22 credit under this subdivision and subd. 3. for the same expenditures.

23 **SECTION 2108.** 71.47 (3w) (c) 3. of the statutes is amended to read:

BILL**SECTION 2108**

1 71.47 (3w) (c) 3. No credit may be allowed under this subsection unless the
2 claimant includes with the claimant's return a copy of the claimant's certification for
3 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

4 **SECTION 2109.** 71.47 (3w) (d) of the statutes is amended to read:

5 71.47 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
6 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
7 include with their returns a copy of their certification for tax benefits, and a copy of
8 the verification of their expenses, from the department of commerce or the Wisconsin
9 Economic Development Corporation.

10 **SECTION 2110.** 71.47 (4) (am) of the statutes is amended to read:

11 71.47 (4) (am) *Development zone additional research credit.* In addition to the
12 credit under par. (ad), any corporation may credit against taxes otherwise due under
13 this chapter an amount equal to 5 percent of the amount obtained by subtracting
14 from the corporation's qualified research expenses, as defined in section 41 of the
15 Internal Revenue Code, except that "qualified research expenses" include only
16 expenses incurred by the claimant in a development zone under subch. II of ch. 238
17 or subch. VI of ch. 560, 2009 stats., except that a taxpayer may elect the alternative
18 computation under section 41 (c) (4) of the Internal Revenue Code and that election
19 applies until the department permits its revocation and except that "qualified
20 research expenses" do not include compensation used in computing the credit under
21 sub. (1dj) nor research expenses incurred before the claimant is certified for tax
22 benefits under s. 238.365 (3) or s. 560.765 (3), 2009 stats., the corporation's base
23 amount, as defined in section 41 (c) of the Internal Revenue Code, in a development
24 zone, except that gross receipts used in calculating the base amount means gross
25 receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1.

BILL

1 and 2., (dh) 1., 2., and 3., (dj), and (dk) and research expenses used in calculating the
2 base amount include research expenses incurred before the claimant is certified for
3 tax benefits under s. 238.365 (3) or s. 560.765 (3), 2009 stats., in a development zone,
4 if the claimant submits with the claimant's return a copy of the claimant's
5 certification for tax benefits under s. 238.365 (3) or s. 560.765 (3), 2009 stats., and
6 a statement from the department of commerce or the Wisconsin Economic
7 Development Corporation verifying the claimant's qualified research expenses for
8 research conducted exclusively in a development zone. The rules under s. 73.03 (35)
9 apply to the credit under this paragraph. The rules under sub. (1di) (f) and (g) as they
10 apply to the credit under that subsection apply to claims under this paragraph.
11 Section 41 (h) of the Internal Revenue Code does not apply to the credit under this
12 paragraph. No credit may be claimed under this paragraph for taxable years that
13 begin on January 1, 1998, or thereafter. Credits under this paragraph for taxable
14 years that begin before January 1, 1998, may be carried forward to taxable years that
15 begin on January 1, 1998, or thereafter.

16 **SECTION 2111.** 71.47 (5b) (a) 2. of the statutes is amended to read:

17 71.47 (5b) (a) 2. "Fund manager" means an investment fund manager certified
18 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

19 **SECTION 2112.** 71.47 (5b) (b) 1. of the statutes is amended to read:

20 71.47 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
21 to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009
22 stats., and except as provided in subd. 2., a claimant may claim as a credit against
23 the tax imposed under s. 71.43, up to the amount of those taxes, 25 percent of the
24 claimant's investment paid to a fund manager that the fund manager invests in a
25 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

BILL**SECTION 2113**

1 **SECTION 2113.** 71.47 (5b) (b) 2. of the statutes is amended to read:

2 71.47 **(5b)** (b) 2. In the case of a partnership, limited liability company, or
3 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
4 shall be determined at the entity level rather than the claimant level and may be
5 allocated among the claimants who make investments in the manner set forth in the
6 entity's organizational documents. The entity shall provide to the department of
7 revenue and to the department of commerce or the Wisconsin Economic
8 Development Corporation the names and tax identification numbers of the
9 claimants, the amounts of the credits allocated to the claimants, and the
10 computation of the allocations.

11 **SECTION 2114.** 71.47 (5b) (d) 3. of the statutes is amended to read:

12 71.47 **(5b)** (d) 3. For ~~calendar years beginning~~ investments made after
13 December 31, 2007, if an investment for which a claimant claims a credit under par.
14 (b) is held by the claimant for less than 3 years, the claimant shall pay to the
15 department, in the manner prescribed by the department, the amount of the credit
16 that the claimant received related to the investment.

17 **SECTION 2115.** 71.47 (5f) (a) 1. (intro.) of the statutes is amended to read:

18 71.47 **(5f)** (a) 1. (intro.) "Accredited production" means a film, video, broadcast
19 advertisement, or television production, as approved by the department of commerce
20 or the department of tourism, for which the aggregate salary and wages included in
21 the cost of the production for the period ending 12 months after the month in which
22 the principal filming or taping of the production begins exceeds \$50,000. "Accredited
23 production" also means an electronic game, as approved by the department of
24 commerce or the department of tourism, for which the aggregate salary and wages
25 included in the cost of the production for the period ending 36 months after the month

BILL

1 in which the principal programming, filming, or taping of the production begins
2 exceeds \$100,000. "Accredited production" does not include any of the following,
3 regardless of the production costs:

4 **SECTION 2116.** 71.47 (5f) (a) 3. of the statutes is amended to read:

5 71.47 (5f) (a) 3. "Production expenditures" means any expenditures that are
6 incurred in this state and directly used to produce an accredited production,
7 including expenditures for set construction and operation, wardrobes, make-up,
8 clothing accessories, photography, sound recording, sound synchronization, sound
9 mixing, lighting, editing, film processing, film transferring, special effects, visual
10 effects, renting or leasing facilities or equipment, renting or leasing motor vehicles,
11 food, lodging, and any other similar expenditure as determined by the department
12 of commerce or the department of tourism. "Production expenditures" do not include
13 salary, wages, or labor-related contract payments.

14 **SECTION 2117.** 71.47 (5f) (c) 6. of the statutes is amended to read:

15 71.47 (5f) (c) 6. No credit may be allowed under this subsection unless the
16 claimant files an application with the department of commerce or the department of
17 tourism, at the time and in the manner prescribed by the department of commerce
18 or the department of tourism, and the department of commerce or the department
19 of tourism approves the application. The claimant shall submit a fee with the
20 application in an amount equal to 2 percent of the claimant's budgeted production
21 expenditures or to \$5,000, whichever is less. The claimant shall submit a copy of the
22 approved application with the claimant's return.

23 **SECTION 2118.** 71.47 (5h) (c) 4. of the statutes is amended to read:

24 71.47 (5h) (c) 4. No claim may be allowed under this subsection unless the
25 department of commerce or the department of tourism certifies, in writing, that the

BILL**SECTION 2118**

1 credits claimed under this subsection are for expenses related to establishing or
2 operating a film production company in this state and the claimant submits a copy
3 of the certification with the claimant's return.

4 **SECTION 2119.** 71.47 (5i) (c) 1. of the statutes is amended to read:

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

8 **SECTION 2120.** 71.47 (5j) (a) 2d. of the statutes is amended to read:

9 71.47 (5j) (a) 2d. "Diesel replacement renewable fuel" includes biodiesel and
10 any other fuel derived from a renewable resource that meets all of the applicable
11 requirements of the American Society for Testing and Materials for that fuel and that
12 the department of ~~commerce~~ safety and professional services designates by rule as
13 a diesel replacement renewable fuel.

14 **SECTION 2121.** 71.47 (5j) (a) 2m. of the statutes is amended to read:

15 71.47 (5j) (a) 2m. "Gasoline replacement renewable fuel" includes ethanol and
16 any other fuel derived from a renewable resource that meets all of the applicable
17 requirements of the American Society for Testing and Materials for that fuel and that
18 the department of ~~commerce~~ safety and professional services designates by rule as
19 a gasoline replacement renewable fuel.

20 **SECTION 2122.** 71.47 (5j) (c) 3. of the statutes is amended to read:

21 71.47 (5j) (c) 3. The department of ~~commerce~~ safety and professional services
22 shall establish standards to adequately prevent, in the distribution of conventional
23 fuel to an end user, the inadvertent distribution of fuel containing a higher
24 percentage of renewable fuel than the maximum percentage established by the
25 federal environmental protection agency for use in conventionally-fueled engines.

BILL

1 **SECTION 2123.** 71.47 (5r) (a) 6. a. of the statutes is amended to read:

2 71.47 (5r) (a) 6. a. A University of Wisconsin System institution, the University
3 of Wisconsin-Madison, a technical college system institution, or a regionally
4 accredited 4-year nonprofit college or university having its regional headquarters
5 and principal place of business in this state.

6 **SECTION 2124.** 71.54 (1) (f) (intro.) of the statutes is amended to read:

7 71.54 (1) (f) *2001 and thereafter to 2011.* (intro.) Subject to sub. (2m), the
8 amount of any claim filed in 2001 ~~and thereafter to 2011~~ and based on property taxes
9 accrued or rent constituting property taxes accrued during the previous year is
10 limited as follows:

11 **SECTION 2125.** 71.54 (1) (g) of the statutes is created to read:

12 71.54 (1) (g) *2012 and thereafter.* The amount of any claim filed in 2012 and
13 thereafter and based on property taxes accrued or rent constituting property taxes
14 accrued during the previous year is limited as follows:

15 1. If the household income was \$8,060 or less in the year to which the claim
16 relates, the claim is limited to 80 percent of the property taxes accrued or rent
17 constituting property taxes accrued or both in that year on the claimant's homestead.

18 2. If the household income was more than \$8,060 in the year to which the claim
19 relates, the claim is limited to 80 percent of the amount by which the property taxes
20 accrued or rent constituting property taxes accrued or both in that year on the
21 claimant's homestead exceeds 8.785 percent of the household income exceeding
22 \$8,060.

23 3. No credit may be allowed if the household income of a claimant exceeds
24 \$24,680.

25 **SECTION 2126.** 71.54 (2) (b) 3. of the statutes is amended to read:

BILL**SECTION 2126**

1 71.54 (2) (b) 3. Subject to sub. (2m), in calendar year ~~1990 or any subsequent~~
2 ~~calendar year~~ years 1990 to 2010, \$1,450.

3 **SECTION 2127.** 71.54 (2) (b) 4. of the statutes is created to read:

4 71.54 (2) (b) 4. In calendar years 2011 or any subsequent calendar year, \$1,460.

5 **SECTION 2128.** 71.54 (2m) of the statutes is amended to read:

6 71.54 (2m) INDEXING FOR INFLATION; 2010 ~~AND THEREAFTER~~. (a) For calendar years
7 beginning after December 31, 2009, and before January 1, 2011, the dollar amounts
8 of the threshold income under sub. (1) (f) 1. and 2., the maximum household income
9 under sub. (1) (f) 3. and the maximum property taxes under sub. (2) (b) 3. shall be
10 increased each year by a percentage equal to the percentage change between the U.S.
11 consumer price index for all urban consumers, U.S. city average, for the 12-month
12 average of the U.S. consumer price index for the month of August of the year before
13 the previous year through the month of July of the previous year and the U.S.
14 consumer price index for all urban consumers, U.S. city average, for the 12-month
15 average of the U.S. consumer price index for August 2007 through July 2008, as
16 determined by the federal department of labor, except that the adjustment may occur
17 only if the percentage is a positive number. Each amount that is revised under this
18 paragraph shall be rounded to the nearest multiple of \$10 if the revised amount is
19 not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount
20 shall be increased to the next higher multiple of \$10. The department of revenue
21 shall annually adjust the changes in dollar amounts required under this paragraph
22 and incorporate the changes into the income tax forms and instructions.

23 (b) The department of revenue shall ~~annually~~ adjust the slope under sub. (1)
24 (f) 2. such that, as a claimant's income increases from the threshold income as
25 calculated under par. (a), to an amount that exceeds the maximum household income

BILL

1 as calculated under par. (a), the credit that may be claimed is reduced to \$0 and the
2 department of revenue shall incorporate the changes into the income tax forms and
3 instructions.

4 **SECTION 2129.** 71.78 (4) (m) of the statutes is amended to read:

5 71.78 (4) (m) ~~The secretary of commerce~~ chief executive officer of the Wisconsin
6 Economic Development Corporation and employees of ~~that department the~~
7 corporation to the extent necessary to administer the development zone program
8 under subch. ~~VI of ch. 560~~ II of ch. 238.

9 **SECTION 2130.** 71.93 (1) (a) 3. of the statutes is amended to read:

10 71.93 (1) (a) 3. An amount that the department of health services may recover
11 under s. 49.45 (2) (a) 10., 49.497, ~~49.793~~, or 49.847, if the department of health
12 services has certified the amount under s. 49.85.

13 **SECTION 2131.** 71.93 (1) (a) 4. of the statutes is amended to read:

14 71.93 (1) (a) 4. An amount that the department of children and families may
15 recover under s. 49.161 ~~or~~, 49.195 (3), ~~or 49.373~~ or collect under s. 49.147 (6) (cm), if
16 the department of children and families has certified the amount under s. 49.85.

17 **SECTION 2132.** 73.03 (27) of the statutes is amended to read:

18 73.03 (27) To write off from the records of the department income, franchise,
19 sales, use, withholding, motor fuel, gift, beverage and cigarette tax and ~~recycling~~
20 economic development surcharge liabilities, following a determination by the
21 secretary of revenue that they are not collectible. Taxes written off under this
22 subsection remain legal obligations.

23 **SECTION 2133.** 73.03 (35) of the statutes is amended to read:

24 73.03 (35) To deny a portion of a credit claimed under s. 71.07 (2dd), (2de), (2di),
25 (2dj), (2dL), (2dm), (2dr), (2ds), or (2dx), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm),

BILL**SECTION 2133**

1 (1ds), (1dx), or (4) (am), 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), or
2 (4) (am), or 76.636 if granting the full amount claimed would violate a requirement
3 under s. 238.385 or s. 560.785, 2009 stats., or would bring the total of the credits
4 granted to that claimant under all of those subsections over the limit for that
5 claimant under s. 238.368, 238.395 (2) (b), or 238.397 (5) (b) or s. 560.768, 2009 stats.,
6 s. 560.795 (2) (b), 2009 stats., or s. 560.797 (5) (b), 2009 stats.

7 **SECTION 2134.** 73.03 (35m) of the statutes is amended to read:

8 73.03 (35m) To deny a portion of a credit claimed under s. 71.07 (3g), 71.28 (3g),
9 or 71.47 (3g), if granting the full amount claimed would violate a requirement under
10 s. 238.23 or s. 560.96, 2009 stats., or would bring the total of the credits claimed under
11 ss. 71.07 (3g), 71.28 (3g), and 71.47 (3g) over the limit for all claimants under s.
12 238.23 (2) or s. 560.96 (2), 2009 stats.

13 **SECTION 2135.** 73.03 (63) of the statutes is amended to read:

14 73.03 (63) Notwithstanding the amount limitations specified under ss. s. 71.07
15 (5d) (c) 1. and s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats., in consultation with
16 the department of commerce or the Wisconsin Economic Development Corporation,
17 to carry forward to subsequent taxable years unclaimed credit amounts of the early
18 stage seed investment credits under ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638
19 and the angel investment credit under s. 71.07 (5d). Annually, no later than July 1,
20 the department of commerce or the Wisconsin Economic Development Corporation
21 shall submit to the department of revenue its recommendations for the carry forward
22 of credit amounts as provided under this subsection.

23 **SECTION 2136.** 73.0301 (1) (b) of the statutes is amended to read:

BILL

1 73.0301 (1) (b) “Credentialing board” means a board, examining board or
2 affiliated credentialing board in the department of ~~regulation and licensing~~ safety
3 and professional services that grants a credential.

4 **SECTION 2137.** 73.0301 (1) (e) of the statutes is amended to read:

5 73.0301 (1) (e) “Licensing department” means the department of
6 administration; the board of commissioners of public lands; ~~the department of~~
7 ~~commerce~~; the department of children and families; the government accountability
8 board; the department of financial institutions; the department of health services;
9 the department of natural resources; the department of public instruction; ~~the~~
10 ~~department of regulation and licensing~~; the department of safety and professional
11 services; the department of workforce development; the office of the commissioner
12 of insurance; or the department of transportation.

13 **SECTION 2138.** 73.0301 (2) (a) 1. of the statutes is amended to read:

14 73.0301 (2) (a) 1. Request the department of revenue to certify whether an
15 applicant for a license or license renewal or continuation is liable for delinquent
16 taxes. With respect to an applicant for a license granted by a credentialing board,
17 the department of ~~regulation and licensing~~ safety and professional services shall
18 make a request under this subdivision. This subdivision does not apply to the
19 department of transportation with respect to licenses described in sub. (1) (d) 7.

20 **SECTION 2139.** 73.0301 (2) (a) 2. of the statutes is amended to read:

21 73.0301 (2) (a) 2. Request the department of revenue to certify whether a
22 license holder is liable for delinquent taxes. With respect to a holder of a license
23 granted by a credentialing board, the department of ~~regulation and licensing~~ safety
24 and professional services shall make a request under this subdivision.

25 **SECTION 2140.** 73.0301 (2) (b) 1. a. of the statutes is amended to read:

BILL**SECTION 2140**

1 73.0301 (2) (b) 1. a. If, after a request is made under par. (a) 1. or 2., the
2 department of revenue certifies that the license holder or applicant for a license or
3 license renewal or continuation is liable for delinquent taxes, revoke the license or
4 deny the application for the license or license renewal or continuation. The
5 department of transportation may suspend licenses described in sub. (1) (d) 7. in lieu
6 of revoking those licenses. A suspension, revocation or denial under this subd. 1. a.
7 is not subject to administrative review or, except as provided in subd. 2. and sub. (5)
8 (am), judicial review. With respect to a license granted by a credentialing board, the
9 department of ~~regulation and licensing~~ safety and professional services shall make
10 a revocation or denial under this subd. 1. a. With respect to a license to practice law,
11 the department of revenue shall not submit a certification under this subd. 1. a. to
12 the supreme court until after the license holder or applicant has exhausted his or her
13 remedies under sub. (5) (a) and (am) or has failed to make use of such remedies.

14 **SECTION 2141.** 73.0301 (2) (b) 1. b. of the statutes is amended to read:

15 73.0301 (2) (b) 1. b. Mail a notice of suspension, revocation or denial under
16 subd. 1. a. to the license holder or applicant. The notice shall include a statement
17 of the facts that warrant the suspension, revocation or denial and a statement that
18 the license holder or applicant may, within 30 days after the date on which the notice
19 of denial, suspension or revocation is mailed, file a written request with the
20 department of revenue to have the certification of tax delinquency on which the
21 suspension, revocation or denial is based reviewed at a hearing under sub. (5) (a).
22 With respect to a license granted by a credentialing board, the department of
23 ~~regulation and licensing~~ safety and professional services shall mail a notice under
24 this subd. 1. b. With respect to a license to practice law, the department of revenue
25 shall mail a notice under this subd. 1. b. and the notice shall indicate that the license

BILL

1 holder or applicant may request a hearing under sub. (5) (a) and (am) and that the
2 department of revenue shall submit a certificate of delinquency to suspend, revoke,
3 or deny a license to practice law to the supreme court after the license holder or
4 applicant has exhausted his or her remedies under sub. (5) (a) and (am) or has failed
5 to make use of such remedies. A notice sent to a person who holds a license to practice
6 law or who is an applicant for a license to practice law shall also indicate that the
7 department of revenue may not submit a certificate of delinquency to the supreme
8 court if the license holder or applicant pays the delinquent tax in full or enters into
9 an agreement with the department of revenue to satisfy the delinquency.

10 **SECTION 2142.** 73.0301 (2) (b) 2. of the statutes is amended to read:

11 73.0301 (2) (b) 2. Except as provided in subd. 2m., if notified by the department
12 of revenue that the department of revenue has affirmed a certification of tax
13 delinquency after a hearing under sub. (5) (a), affirm a suspension, revocation or
14 denial under subd. 1. a. A license holder or applicant may seek judicial review under
15 ss. 227.52 to 227.60, except that the review shall be in the circuit court for Dane
16 County, of an affirmation of a revocation or denial under this subdivision. With
17 respect to a license granted by a credentialing board, the department of ~~regulation~~
18 ~~and licensing~~ safety and professional services shall make an affirmation under this
19 subdivision.

20 **SECTION 2143.** 73.0301 (2) (b) 3. of the statutes is amended to read:

21 73.0301 (2) (b) 3. If a person submits a nondelinquency certificate issued under
22 sub. (5) (b) 1., reinstate the license or grant the application for the license or license
23 renewal or continuation, unless there are other grounds for suspending or revoking
24 the license or for denying the application for the license or license renewal or
25 continuation. If reinstatement is required under this subdivision, a person is not

BILL**SECTION 2143**

1 required to submit a new application or other material or to take a new test. No
2 separate fee may be charged for reinstatement of a license under this subdivision.
3 With respect to a license granted by a credentialing board, the department of
4 ~~regulation and licensing~~ safety and professional services shall reinstate a license or
5 grant an application under this subdivision.

6 **SECTION 2144.** 73.0301 (2) (b) 4. of the statutes is amended to read:

7 73.0301 (2) (b) 4. If a person whose license has been suspended or revoked or
8 whose application for a license or license renewal or continuation has been denied
9 under subd. 1. a. submits a nondelinquency certificate issued under sub. (3) (a) 2.,
10 reinstate the license or grant the person's application for the license or license
11 renewal or continuation, unless there are other grounds for not reinstating the
12 license or for denying the application for the license or license renewal or
13 continuation. With respect to a license granted by a credentialing board, the
14 department of ~~regulation and licensing~~ safety and professional services shall
15 reinstate a license or grant an application under this subdivision.

16 **SECTION 2145.** 73.12 (1) (b) of the statutes is amended to read:

17 73.12 (1) (b) "Vendor" means a person providing goods or services to this state
18 or the University of Wisconsin-Madison under subch. IV or V of ch. 16 or under ch.
19 84.

20 **SECTION 2146.** 73.12 (2) of the statutes is amended to read:

21 73.12 (2) **REQUEST FOR SETOFF.** The department of revenue may request the
22 department of administration to proceed under sub. (3) against any vendor who owes
23 a tax. A request under this subsection consists of identification of the vendor and of
24 the vendor's contracts with this state or the University of Wisconsin-Madison and
25 notice to the vendor of the request for a setoff.

BILL

1 **SECTION 2147.** 73.12 (3) of the statutes is amended to read:

2 73.12 (3) SETOFF. Upon receipt of a request under sub. (2), the department of
3 administration shall begin to set off against amounts owed by this state or the
4 University of Wisconsin-Madison to a vendor taxes owed to this state by that vendor
5 until those taxes are paid in full. If the secretary of administration determines,
6 within 30 days after receipt of a request for setoff, that the vendor against whom
7 setoff is requested is either an essential supplier of critical commodities or the only
8 vendor from whom a necessary good or service can be obtained and notifies the
9 secretary of revenue of that determination, the department of administration shall
10 waive the right of setoff and the department of administration shall pay to the vendor
11 the amounts set off. The department of administration or the University of
12 Wisconsin-Madison shall, within 30 days after the end of each calendar quarter,
13 transfer to the department of revenue the taxes set off during the previous calendar
14 quarter for deposit in the general fund, or in the transportation fund in respect to
15 taxes owed under ch. 78, and shall notify the department of revenue of the amounts
16 set off against each vendor.

17 **SECTION 2148.** 73.12 (5) of the statutes is amended to read:

18 73.12 (5) LIABILITY PRECLUDED. Exchange of information required to administer
19 this section does not result in liability under s. 71.78, 72.06, 77.61 (5), 78.80 (3) or
20 139.38 (6). The department of administration or the University of
21 Wisconsin-Madison is not liable to any vendor because of setoffs under this section.

22 **SECTION 2149.** 73.12 (7) of the statutes is amended to read:

23 73.12 (7) TAX IDENTIFICATION INFORMATION. The department of administration
24 and the University of Wisconsin-Madison may collect from vendors and provide to

BILL**SECTION 2149**

1 the department of revenue any tax identification information that the department
2 of revenue requires to administer the program under this section.

3 **SECTION 2150.** 74.01 (5) of the statutes is amended to read:

4 74.01 (5) "Special tax" means any amount entered in the tax roll which is not
5 a general property tax, special assessment or special charge. "Special tax" includes
6 any interest and penalties assessed for nonpayment of the tax before it is placed in
7 the tax roll ~~and any charge under s. 287.093 (1) (a) 2. that is placed on the tax roll~~
8 ~~under s. 287.093 (2).~~

9 **SECTION 2151.** 75.106 (1) (a) of the statutes is amended to read:

10 75.106 (1) (a) "Brownfield" has the meaning given in s. ~~560.13~~ 238.13 (1) (a),
11 except that, for purposes of this section, "brownfield" also means abandoned, idle, or
12 underused residential facilities or sites, the expansion or redevelopment of which is
13 adversely affected by actual or perceived environmental contamination.

14 **SECTION 2152.** 76.24 (2) (a) of the statutes is amended to read:

15 76.24 (2) (a) All taxes paid by any railroad company derived from or
16 apportionable to repair facilities, docks, ore yards, piers, wharves, grain elevators,
17 and their approaches, or car ferries on the basis of the separate valuation provided
18 for in s. 76.16, shall be distributed annually from the transportation fund to the
19 towns, villages, and cities in which they are located, pursuant to certification made
20 by the department of revenue on or before August 15. Beginning with amounts
21 distributed in 2011, the amount distributed to any town, village, or city under this
22 paragraph may not be less than the amount distributed to it in 2010 under this
23 paragraph.

24 **SECTION 2153.** 76.635 (1) (a) of the statutes is amended to read:

BILL

1 76.635 (1) (a) “Certified capital company” has the meaning given in s. 560.29

2 (1) (a), 2009 stats.

3 **SECTION 2154.** 76.635 (1) (b) of the statutes is amended to read:

4 76.635 (1) (b) “Certified capital investment” has the meaning given in s. 560.29

5 (1) (b), 2009 stats.

6 **SECTION 2155.** 76.635 (1) (c) of the statutes is amended to read:

7 76.635 (1) (c) “Investment date” has the meaning given in s. 560.29 (1) (d), 2009

8 stats.

9 **SECTION 2156.** 76.635 (1) (d) of the statutes is amended to read:

10 76.635 (1) (d) “Investment pool” has the meaning given in s. 560.29 (1) (e), 2009

11 stats.

12 **SECTION 2157.** 76.635 (1) (e) of the statutes is amended to read:

13 76.635 (1) (e) “Qualified investment” has the meaning given in s. 560.29 (1) (g),

14 2009 stats.

15 **SECTION 2158.** 76.636 (1) (b) 1. of the statutes is amended to read:

16 76.636 (1) (b) 1. A development zone under s. 238.30 or s. 560.70, 2009 stats.

17 **SECTION 2159.** 76.636 (1) (b) 2. of the statutes is amended to read:

18 76.636 (1) (b) 2. A development opportunity zone under s. 238.395 or s. 560.795,

19 2009 stats.

20 **SECTION 2160.** 76.636 (1) (b) 3. of the statutes is amended to read:

21 76.636 (1) (b) 3. An enterprise development zone under s. 238.397 or s. 560.797,

22 2009 stats.

23 **SECTION 2161.** 76.636 (1) (b) 4. of the statutes is amended to read:

24 76.636 (1) (b) 4. An agricultural development zone under s. 238.398 or s.

25 560.798, 2009 stats.

BILL**SECTION 2162**

1 **SECTION 2162.** 76.636 (1) (e) 13. of the statutes is amended to read:

2 76.636 (1) (e) 13. A ~~food stamp~~ recipient of benefits under the supplemental
3 nutrition assistance program under 7 USC 2011 to 2036.

4 **SECTION 2163.** 76.636 (2) (intro.) of the statutes is amended to read:

5 76.636 (2) CREDITS. (intro.) Except as provided in s. 73.03 (35), and subject to
6 s. 238.385 or s. 560.785, 2009 stats., for any taxable year for which an insurer is
7 entitled under s. 238.395 or s. 560.795 (3), 2009 stats., to claim tax benefits or
8 certified under s. 238.365 (3), 238.397 (4), or 238.398 (3) or s. 560.765 (3), 2009 stats.,
9 s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., the insurer may claim as a
10 credit against the fees due under s. 76.60, 76.63, 76.65, 76.66, or 76.67 the following
11 amounts:

12 **SECTION 2164.** 76.636 (2) (b) of the statutes is amended to read:

13 76.636 (2) (b) The amount determined by multiplying the amount determined
14 under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full-time
15 jobs created in a development zone and filled by a member of a targeted group and
16 by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
17 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

18 **SECTION 2165.** 76.636 (2) (c) of the statutes is amended to read:

19 76.636 (2) (c) The amount determined by multiplying the amount determined
20 under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full-time
21 jobs created in a development zone and not filled by a member of a targeted group
22 and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
23 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

24 **SECTION 2166.** 76.636 (2) (d) of the statutes is amended to read:

BILL

1 76.636 (2) (d) The amount determined by multiplying the amount determined
2 under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of
3 full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009
4 stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in an
5 enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for
6 which significant capital investment was made and by then subtracting the
7 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
8 under s. 49.147 (3m) (c) for those jobs.

9 **SECTION 2167.** 76.636 (2) (e) of the statutes is amended to read:

10 76.636 (2) (e) The amount determined by multiplying the amount determined
11 under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full-time
12 jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats.,
13 excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in a
14 development zone and not filled by a member of a targeted group and by then
15 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
16 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

17 **SECTION 2168.** 76.636 (4) (intro.) of the statutes is amended to read:

18 76.636 (4) CREDIT PRECLUDED. (intro.) If the certification of a person for tax
19 benefits under s. 238.365 (3), 238.397 (4), or 238.398 (3) or s. 560.765 (3), 2009 stats.,
20 s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., is revoked, or if the person
21 becomes ineligible for tax benefits under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
22 that person may not do any of the following:

23 **SECTION 2169.** 76.636 (5) of the statutes is amended to read:

24 76.636 (5) CARRY-OVER PRECLUDED. If a person who is entitled under s. 238.395
25 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 238.365 (3),

BILL**SECTION 2169**

1 238.397 (4), or 238.398 (3) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats.,
2 or s. 560.798 (3), 2009 stats., for tax benefits ceases business operations in the
3 development zone during any of the taxable years that that zone exists, that person
4 may not carry over to any taxable year following the year during which operations
5 cease any unused credits from the taxable year during which operations cease or
6 from previous taxable years.

7 **SECTION 2170.** 76.636 (6) of the statutes is amended to read:

8 76.636 (6) ADMINISTRATION. Any insurer who claims a credit under sub. (2) shall
9 include with the insurer's annual return under s. 76.64 a copy of its certification for
10 tax benefits and a copy of its verification of expenses from the department of
11 commerce or the Wisconsin Economic Development Corporation.

12 **SECTION 2171.** 76.637 (1) of the statutes is amended to read:

13 76.637 (1) DEFINITION. In this section, "claimant" means an insurer who files
14 a claim under this section and is certified under s. 238.301 (2) or s. 560.701 (2), 2009
15 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703, 2009 stats.

16 **SECTION 2172.** 76.637 (2) of the statutes is amended to read:

17 76.637 (2) FILING CLAIMS. Subject to the limitations under this section, ss.
18 238.301 to 238.306, and ss. 560.701 to 560.706, 2009 stats., for taxable years
19 beginning after December 31, 2008, a claimant may claim as a credit against the fees
20 due under s. 76.60, 76.63, 76.65, 76.66, or 76.67 the amount authorized for the
21 claimant under s. 238.303 or s. 560.703, 2009 stats.

22 **SECTION 2173.** 76.637 (3) of the statutes is amended to read:

23 76.637 (3) LIMITATIONS. No credit may be allowed under this section unless the
24 insurer includes with the insurer's annual return under s. 76.64 a copy of the
25 claimant's certification under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy

BILL

1 of the claimant's notice of eligibility to receive tax benefits under s. 238.303 (3) or s.
2 560.703 (3), 2009 stats.

3 **SECTION 2174.** 76.637 (4) of the statutes is amended to read:

4 76.637 (4) ADMINISTRATION. If an insurer's certification is revoked under s.
5 238.305 or s. 560.705, 2009 stats., or if an insurer becomes ineligible for tax benefits
6 under s. 238.302 or s. 560.702, 2009 stats., the insurer may not claim credits under
7 this section for the taxable year that includes the day on which the certification is
8 revoked; the taxable year that includes the day on which the insurer becomes
9 ineligible for tax benefits; or succeeding taxable years and the insurer may not carry
10 over unused credits from previous years to offset the fees imposed under ss. 76.60,
11 76.63, 76.65, 76.66, or 76.67 for the taxable year that includes the day on which
12 certification is revoked; the taxable year that includes the day on which the insurer
13 becomes ineligible for tax benefits; or succeeding taxable years.

14 **SECTION 2175.** 76.638 (1) of the statutes is amended to read:

15 76.638 (1) DEFINITIONS. In this section, "fund manager" means an investment
16 fund manager certified under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

17 **SECTION 2176.** 76.638 (2) of the statutes is amended to read:

18 76.638 (2) FILING CLAIMS. For taxable years beginning after December 31, 2008,
19 subject to the limitations provided under this subsection and s. 238.15 or s. 560.205,
20 2009 stats., an insurer may claim as a credit against the fees imposed under s. 76.60,
21 76.63, 76.65, 76.66, or 76.67, 25 percent of the insurer's investment paid to a fund
22 manager that the fund manager invests in a business certified under s. 238.15 or s.
23 560.205 (1), 2009 stats.

24 **SECTION 2177.** Chapter 77 (title) of the statutes is amended to read:

25 **CHAPTER 77**

BILL

1 **TAXATION OF FOREST CROPLANDS;**
2 **REAL ESTATE TRANSFER FEES;**
3 **SALES AND USE TAXES; COUNTY,**
4 **TRANSIT AUTHORITY, AND**
5 **SPECIAL DISTRICT SALES AND USE**
6 **TAXES; MANAGED FOREST LAND;**
7 **RECYCLING ECONOMIC DEVELOPMENT**
8 **SURCHARGE; LOCAL FOOD**
9 **AND BEVERAGE TAX;**
10 **LOCAL RENTAL CAR TAX; PREMIER**
11 **RESORT AREA TAXES;**
12 **STATE RENTAL VEHICLE FEE;**
13 **DRY CLEANING FEES;**
14 **SOUTHEASTERN REGIONAL**
15 **TRANSIT AUTHORITY FEE**

16 **SECTION 2178.** 77.22 (2) (d) of the statutes is amended to read:

17 77.22 (2) (d) If the real estate transferred is not subject to certification under
18 s. 101.122 (4) (a), waiver under s. 101.122 (4) (b) or stipulation under s. 101.122 (4)
19 (c), the reason why it is not so subject or the form prescribed by the department of
20 ~~commerce~~ safety and professional services under s. 101.122 (6).

21 **SECTION 2179.** 77.54 (5) (am) of the statutes is created to read:

22 77.54 (5) (am) Modular homes, as defined in s. 101.71 (6), and manufactured
23 homes, as defined in s. 101.91 (2), that are used in real property construction
24 activities outside this state.

BILL

1 **SECTION 2180.** 77.54 (9a) (a) of the statutes, as affected by 2011 Wisconsin Act
2 7, is amended to read:

3 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin
4 Hospitals and Clinics Authority, the University of Wisconsin-Madison, the
5 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,
6 the Wisconsin Quality Home Care Authority, the Wisconsin Economic Development
7 Corporation, and the Fox River Navigational System Authority.

8 **SECTION 2181.** 77.54 (11m) of the statutes is created to read:

9 77.54 (11m) The sales price from the sales of and the storage, use, or other
10 consumption of vegetable oil or animal fat that is converted into motor vehicle fuel
11 that is exempt under s. 78.01 (2n) from the taxes imposed under s. 78.01 (1).

12 **SECTION 2182.** 77.61 (21) of the statutes is created to read:

13 77.61 (21) Beginning with the taxes that the department receives on July 1,
14 2012, the department shall annually estimate the amount of, and deposit into the
15 transportation fund, the following percentages of the taxes collected under ss. 77.52
16 and 77.53 on the sale, lease, or use of motor vehicles and motor vehicle parts and
17 accessories:

18 (a) For fiscal year 2012-13, 7.5 percent, except that the amount deposited
19 under this paragraph may not exceed \$35,127,000.

20 (b) For fiscal year 2013-14, 10 percent.

21 (c) For fiscal year 2014-15, 15 percent.

22 (d) For fiscal year 2015-16, 20 percent.

23 (e) For fiscal year 2016-17, 25 percent.

24 (f) For fiscal year 2017-18, 30 percent.

25 (g) For fiscal year 2018-19, 35 percent.

BILL**SECTION 2182**

1 (h) For fiscal year 2019-20, 40 percent.

2 (i) For fiscal year 2020-21, 45 percent.

3 (j) For fiscal year 2021-22, and for each fiscal year thereafter, 50 percent.

4 **SECTION 2183.** 77.708 (1) of the statutes is amended to read:

5 77.708 (1) A transit authority created under s. 66.1039, by resolution and
6 referendum under s. 66.1039 (4) (s), may impose a sales tax and a use tax under this
7 subchapter at a rate not to exceed 0.5 percent of the sales price or purchase price.
8 Those taxes may be imposed only in their entirety. The resolution and referendum
9 shall be effective on the first day of the first calendar quarter that begins at least 120
10 days after the adoption of the resolution and affirmative result of the referendum.

11 **SECTION 2184.** Subchapter VII (title) of chapter 77 [precedes 77.92] of the
12 statutes is amended to read:

13 **CHAPTER 77**

14 **SUBCHAPTER VII**

15 **~~RECYCLING~~ ECONOMIC DEVELOPMENT SURCHARGE**

16 **SECTION 2185.** 77.93 (intro.) of the statutes is amended to read:

17 **77.93 Applicability.** (intro.) For the privilege of doing business in this state,
18 there is imposed ~~a recycling~~ an economic development surcharge on the following
19 entities:

20 **SECTION 2186.** 77.96 (6) of the statutes is amended to read:

21 77.96 (6) The department of revenue shall refer to the surcharge under this
22 subchapter as the ~~recycling~~ economic development surcharge.

23 **SECTION 2187.** 77.97 of the statutes is amended to read:

BILL

1 **77.97 Use of revenue.** The department of revenue shall deposit the
2 surcharge, interest and penalties collected under this subchapter in the ~~recycling~~
3 ~~and renewable energy~~ economic development fund under s. 25.49.

4 **SECTION 2188.** 79.01 (2d) of the statutes is amended to read:

5 79.01 (2d) There is established an account in the general fund entitled the
6 “County and Municipal Aid Account.” ~~Beginning with the distributions in 2011, the~~
7 The total amount to be distributed each year in 2011 to counties and municipalities
8 from the county and municipal aid account is \$824,825,715 and the total amount to
9 be distributed to counties and municipalities in 2012, and in each year thereafter,
10 from the county and municipal aid account is \$728,825,715.

11 **SECTION 2189.** 79.02 (3) (e) of the statutes is amended to read:

12 79.02 (3) (e) For the distribution in 2004 and subsequent years, the total
13 amount of the November payments to each county and municipality under s. 79.035
14 shall be reduced by an amount equal to the amount of supplements paid from the
15 appropriation accounts under s. 20.435 (4) (b) and (gm) that the county or
16 municipality received for the fiscal year in which a payment is made under this
17 section, as determined under s. 49.45 (51).

18 **SECTION 2190.** 79.02 (5) of the statutes is created to read:

19 79.02 (5) (a) For the distribution in 2012, the total amount of the payments to
20 all municipalities from the county and municipal aid account shall be reduced by
21 \$59,500,000 and the total amount of the payments to all counties from the county and
22 municipal aid account shall be reduced by \$36,500,000.

23 (b) 1. To calculate the reduction under this subsection for each municipality, the
24 department of revenue shall first divide \$59,500,000 by the total population of all
25 municipalities. The department shall then adjust the result of the calculation to

BILL**SECTION 2190**

1 establish a per capita amount applied to all municipalities so that the reduction for
2 each municipality is no more than the maximum allowable reduction under this
3 subsection for that municipality and so that the total reductions to county and
4 municipal aid payments for municipalities under this subsection is \$59,500,000.

5 2. To calculate the reduction under this subsection for each county, the
6 department of revenue shall first divide \$36,500,000 by the total population of all
7 counties. The department shall then adjust the result of the calculation to establish
8 a per capita amount applied to all counties so that the reduction for each county is
9 no more than the maximum allowable reduction under this subsection for that
10 county and so that the total reductions to county and municipal aid payments for
11 counties under this subsection is \$36,500,000.

12 (c) The reduction for a municipality that has a population of less than 2,500 is
13 the amount calculated by multiplying the amount determined under par. (b) 1. by the
14 municipality's population, multiplied by the quotient of the municipality's
15 population divided by 2,500, except that the reduction determined under this
16 paragraph may not exceed the lesser of an amount equal to 50 percent of the
17 municipality's payment from the county and municipal aid account in 2011 or 10
18 cents for each \$1,000 of the municipality's equalized value, as determined under s.
19 70.57.

20 (d) 1. The reduction for a municipality that has a population of at least 2,500,
21 but no greater than 10,000, is the amount equal to 10 cents for each \$1,000 of the
22 municipality's equalized value, as determined under s. 70.57, plus the amount
23 determined as follows:

24 a. Multiply the amount determined under par. (b) 1. by the municipality's
25 population.

BILL

- 1 b. Subtract 2,500 from the municipality's population.
- 2 c. Divide the number determined under subd. 1. b. by 7,500.
- 3 d. Multiply the number determined under subd. 1. a. by the number
4 determined under subd. 1. c.
- 5 2. The reduction determined under this paragraph may not exceed the lesser
6 of an amount equal to 50 percent of the municipality's payment from the county and
7 municipal aid account in 2011 or 15 cents for each \$1,000 of the municipality's
8 equalized value, as determined under s. 70.57.
- 9 (e) 1. The reduction for a municipality that has a population greater than
10 10,000, but no greater than 50,000, is the amount equal to 15 cents for each \$1,000
11 of the municipality's equalized value, as determined under s. 70.57, plus the amount
12 determined as follows:
- 13 a. Multiply the amount determined under par. (b) 1. by the municipality's
14 population.
- 15 b. Subtract 10,000 from the municipality's population.
- 16 c. Divide the number determined under subd. 1. b. by 40,000.
- 17 d. Multiply the number determined under subd. 1. a. by the number
18 determined under subd. 1. c.
- 19 2. The reduction determined under this paragraph may not exceed the lesser
20 of an amount equal to 50 percent of the municipality's payment from the county and
21 municipal aid account in 2011 or 25 cents for each \$1,000 of the municipality's
22 equalized value, as determined under s. 70.57.
- 23 (f) 1. The reduction for a municipality that has a population greater than
24 50,000, but no greater than 110,000, is the amount equal to 25 cents for each \$1,000

BILL**SECTION 2190**

1 of the municipality's equalized value, as determined under s. 70.57, plus the amount
2 determined as follows:

3 a. Multiply the amount determined under par. (b) 1. by the municipality's
4 population.

5 b. Subtract 50,000 from the municipality's population.

6 c. Divide the number determined under subd. 1. b. by 60,000.

7 d. Multiply the number determined under subd. 1. a. by the number
8 determined under subd. 1. c.

9 2. The reduction determined under this paragraph may not exceed the lesser
10 of an amount equal to 50 percent of the municipality's payment from the county and
11 municipal aid account in 2011 or 30 cents for each \$1,000 of the municipality's
12 equalized value, as determined under s. 70.57.

13 (g) The reduction for a municipality that has a population greater than 110,000
14 is the lesser of an amount equal to 50 percent of the municipality's payment from the
15 county and municipal aid account in 2011 or 30 cents for each \$1,000 of the
16 municipality's equalized value, as determined under s. 70.57, plus an amount equal
17 to the municipality's population multiplied by the amount determined under par. (b)
18 1., except that the reduction determined under this paragraph may not exceed an
19 amount equal to 35 cents for each \$1,000 in equalized value, as determined under
20 s. 70.57.

21 (h) The reduction for a county is the amount determined under par. (b) 2.
22 multiplied by the county's population, except that the reduction determined under
23 this paragraph may not exceed the lesser of an amount equal to 50 percent of the
24 county's payment from the county and municipal aid account in 2011 or \$0.15 for
25 each \$1,000 of the county's equalized value, as determined under s. 70.57.

BILL

1 **SECTION 2191.** 79.035 (1) of the statutes is amended to read:

2 79.035 (1) In 2004 and subsequent years, except as provided under s. 79.02 (4)
3 and (5), each county and municipality shall receive a payment from the county and
4 municipal aid account and, beginning with payments in November 2009, from the
5 appropriation accounts under s. 20.835 (1) (q) and (r) in an amount determined under
6 sub. (2).

7 **SECTION 2192.** 79.04 (7) (a) of the statutes is amended to read:

8 79.04 (7) (a) Beginning with payments in 2005, if a production plant, as
9 described in sub. (6) (a), other than a nuclear-powered production plant, is built on
10 the site of, or on a site adjacent to, an existing or decommissioned production plant;
11 or is built on a site purchased by a public utility before January 1, 1980, that was
12 identified in an advance plan as a proposed site for a production plant; or is built on,
13 or on a site adjacent to, brownfields, as defined in s. 238.13 (1) (a) or s. 560.13 (1) (a),
14 2009 stats., after December 31, 2003, and has a name-plate capacity of at least one
15 megawatt, each municipality and county in which such a production plant is located
16 shall receive annually from the public utility account a payment in an amount that
17 is equal to the number of megawatts that represents the production plant's
18 name-plate capacity, multiplied by \$600.

19 **SECTION 2193.** 79.043 (6) of the statutes is amended to read:

20 79.043 (6) For the distribution in 2011 ~~and subsequent years~~, each county and
21 municipality shall receive a payment under this section and s. 79.035 that is equal
22 to the amount of the payment determined for the county or municipality under s.
23 79.02 (4) in 2010.

24 **SECTION 2194.** 79.043 (7) of the statutes is created to read:

BILL**SECTION 2194**

1 79.043 (7) For the distribution in 2012 and subsequent years, each county and
2 municipality shall receive a payment under this section and s. 79.035 that is equal
3 to the amount of the payment determined for the county or municipality under s.
4 79.02 (5) for 2012.

5 **SECTION 2195.** 79.05 (1) (am) of the statutes is amended to read:

6 79.05 (1) (am) "Inflation factor" means a percentage equal to the average
7 annual percentage change in the U.S. consumer price index for all urban consumers,
8 U.S. city average, as determined by the U.S. department of labor, for the 12 months
9 ending on September 30 of the year before the statement under s. 79.015, except that
10 the percentage under this paragraph shall not be less than ~~3 percent~~ zero.

11 **SECTION 2196.** 84.01 (6m) (b) (intro.) of the statutes is amended to read:

12 84.01 (6m) (b) (intro.) The department, in consultation with the department
13 ~~of commerce~~ Wisconsin Economic Development Corporation, shall do all of the
14 following for each economic development program administered by the department:

15 **SECTION 2197.** 84.01 (11m) (title) of the statutes is amended to read:

16 84.01 (11m) (title) ECONOMIC DEVELOPMENT ASSISTANCE COORDINATION AND
17 REPORTING.

18 **SECTION 2198.** 84.01 (11m) of the statutes is renumbered 84.01 (11m) (b) and
19 amended to read:

20 84.01 (11m) (b) Annually, no later than October 1, the department shall submit
21 to the joint legislative audit committee and to the appropriate standing committees
22 of the legislature under s. 13.172 (3) a comprehensive report assessing economic
23 development programs, as defined in sub. (6m) (a), administered by the department.
24 The report shall include all of the information required under s. ~~560.01 (2) (am)~~
25 238.07 (2). The department shall collaborate with the ~~department of commerce~~

BILL

1 Wisconsin Economic Development Corporation to make readily accessible to the
2 public on an Internet-based system the information required under this subsection.

3 **SECTION 2199.** 84.01 (11m) (a) of the statutes is created to read:

4 84.01 (11m) (a) The department shall coordinate any economic development
5 assistance with the Wisconsin Economic Development Corporation.

6 **SECTION 2200.** 84.01 (13) of the statutes is renumbered 84.01 (13) (b) and
7 amended to read:

8 84.01 (13) (b) The department may engage such engineering, consulting,
9 surveying, or other specialized services as it deems advisable. Any engagement of
10 services under this subsection is exempt from ss. 16.70 to 16.75, 16.755 to 16.82, and
11 16.85 to 16.89, but ss. 16.528, 16.752, 16.753, and 16.754 apply to such engagement.
12 Any engagement involving an expenditure of \$3,000 or more shall be by formal
13 contract approved by the governor. The department shall conduct a uniform
14 cost-benefit analysis, as defined in s. 16.70 (3g), of each proposed engagement under
15 this subsection that involves an estimated expenditure of more than \$25,000 in
16 accordance with standards prescribed by rule of the department. The department
17 shall review periodically, and before any renewal, the continued appropriateness of
18 contracting pursuant to each engagement under this subsection that involves an
19 estimated expenditure of more than \$25,000.

20 **SECTION 2201.** 84.01 (33) (c) of the statutes is repealed.

21 **SECTION 2202.** 84.013 (1) (a) (intro.) of the statutes is amended to read:

22 84.013 (1) (a) (intro.) "Major highway project" means a project, except a project
23 providing an approach to a bridge over a river that forms a boundary of the state or
24 a southeast Wisconsin freeway rehabilitation project under s. 84.014, which
25 megaproject under s. 84.0145, that satisfies any of the following:

BILL**SECTION 2202**

1 1m. The project has a total cost of more than ~~\$5,000,000~~ \$30,000,000, subject
2 to adjustment under sub. (2m), and ~~which~~ involves any of the following:

3 **SECTION 2203.** 84.013 (1) (a) 1. of the statutes is renumbered 84.013 (1) (a) 1m.

4 a.

5 **SECTION 2204.** 84.013 (1) (a) 2. (intro.), a. and b. of the statutes are
6 consolidated, renumbered 84.013 (1) (a) 1m. b. and amended to read:

7 84.013 (1) (a) 1m. b. Reconstructing or reconditioning an existing highway by
8 either of the following: ~~a. Relocating~~ relocating 2.5 miles or more of the existing
9 highway. ~~b. Adding or adding~~ one or more lanes 5 miles or more in length to the
10 existing highway.

11 **SECTION 2205.** 84.013 (1) (a) 2m. of the statutes is created to read:

12 84.013 (1) (a) 2m. The project has a total cost of more than \$75,000,000, subject
13 to adjustment under sub. (2m).

14 **SECTION 2206.** 84.013 (1) (a) 3. of the statutes is renumbered 84.013 (1) (a) 1m.

15 c.

16 **SECTION 2207.** 84.013 (2) (a) of the statutes is amended to read:

17 84.013 (2) (a) Subject to ss. ~~84.014 (6) (b)~~, 84.555, and 86.255, major highway
18 projects shall be funded from the appropriations under ss. 20.395 (3) (bq) to (bx) and
19 (ct) and (4) (jq) and 20.866 (2) (ur) to (uum) and (uus).

20 **SECTION 2208.** 84.013 (2) (b) of the statutes is amended to read:

21 84.013 (2) (b) Except as provided in ss. ~~84.014~~, 84.03 (3), and 84.555, and
22 subject to ~~s.~~ ss. 84.014 (6) (c) and 86.255, reconditioning, reconstruction and
23 resurfacing of highways shall be funded from the appropriations under ss. 20.395 (3)
24 (cq) to (cx) and 20.866 (2) (uur) and (uut).

25 **SECTION 2209.** 84.013 (2m) of the statutes is created to read: