



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

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STEPHEN R. MILLER  
CHIEF

February 22, 2012

## MEMORANDUM

**To:** Senator Leibham

**From:** Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

Fern Knepp, Legislative Attorney, (608) 261-6927

**Subject:** Technical Memorandum to **2011 SB 463** (LRB-3864/2) by **DOR**

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

**MEMORANDUM**

February 21, 2012

**TO:** Marc Shovers  
Legislative Reference Bureau

**FROM:** John Koskinen  
Brad Caruth  
Department of Revenue

**SUBJECT:** Technical Memorandum on Senate Bill 463: The Angel Investment and Early Stage Seed Investment Tax Credit Programs

The Department has the following concern related to the bill:

The analysis states that "a person that holds such an investment for less than three years does not have to repay the tax credit to DOR, if the person's investment becomes worthless, as determined by WEDC, or if a bona fide liquidity event occurs, as determined by WEDC." If this is the intent, secs. 71.07(5b)(d)3. and (5d)1., 71.28(5b)(d)3, and 71.47(5b)(d)3., should also be amended to reflect this position.

If you have any questions regarding this technical memorandum, please contact Brad Caruth at (608) 261-8984 or [bradley.caruth@revenue.wi.gov](mailto:bradley.caruth@revenue.wi.gov).

cc: Senator Leibham