

Fiscal Estimate Narratives

WEDC 1/17/2014

LRB Number	13-2997/1	Introduction Number	AB-0580	Estimate Type	Original
Description Authorizing the transfer of certain tax credits earned in connection with economic development in this state					

Assumptions Used in Arriving at Fiscal Estimate

Assembly Bill 580 authorizes WEDC to certify the transfer of Economic Development Tax Credits up to \$15,000,000 - with a possible expansion of the program for another \$15,000,000. To be eligible for transferability, the initial applicant must meet one of the following eligibility criteria:

- The person is headquartered in and employs 51% of their employees in Wisconsin.
- The person intends to relocate their headquarters to, and employ at least 51% of their employees in, Wisconsin.
- The person intends to expand their operations in Wisconsin, which will result in a 10% increase in full-time employees.
- The person intends to expand their operations in Wisconsin and will make a significant capital investment as a result of that expansion.

The credits may only be transferred for non-cash consideration and can only be claimed by the transferee after they are earned by the initial applicant.

Long-Range Fiscal Implications

This bill adds new functionality to an existing WEDC tax credit program. WEDC could absorb any additional administrative burdens within our existing staffing levels.