



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Assembly Bill 484

**Assembly Amendments 5 and 7
and Assembly Amendment 1 to
Assembly Amendment 7**

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2013 Assembly Bill 484 would make several changes to state income and sales tax law, including changes relating to the manner in which net operating losses may be carried back against tax liability from previous tax years, the treatment of existing claimants of the relocated business and electronic medical records income tax credits, the application of the manufacturing and agriculture income tax credit to state minimum tax liability, the application of the commercial printing sales and use tax exemption, and the administration of the jobs tax credit.

ASSEMBLY AMENDMENT 5

Assembly Amendment 5 would amend the bill to specify the initial applicability of certain provisions of the bill relating to net operating loss carrybacks and the manufacturing and agriculture credit. In particular, Amendment 5 would specify that the disallowance of homestead credits for reduction of income via net operating loss carrybacks first applies in tax years beginning on January 1, 2014. The amendment also specifies that the provision of the bill providing no interest on net operating loss carrybacks first applies to refunds paid on January 1, 2014. With regard to the manufacturing and agriculture credit, the amendment specifies that the application of the credit to the minimum tax applies retroactively to tax years beginning on January 1, 2013.

ASSEMBLY AMENDMENT 7

Assembly Amendment 7 would apply the research tax credit and the state historic rehabilitation tax credit against the minimum tax and would exclude the state historic rehabilitation credit from the calculation of “net tax liability” for purposes of the working families tax credit. The amendment also would revise the order of computation of tax credits as it relates to the state historic rehabilitation credit and the research credit. Assembly Amendment 7 specifies that the changes it contains would first apply to tax years beginning on January 1, 2014.

ASSEMBLY AMENDMENT 1 TO ASSEMBLY AMENDMENT 7

Assembly Amendment 1 to Assembly Amendment 7 adds a technical cross-reference relating to the initial applicability of the modifications proposed by Assembly Amendment 7.

BILL HISTORY

Assembly Amendments 5 and 7 were offered by Representative Kooyenga. Assembly Amendment 1 to Assembly Amendment 7 was offered by the Assembly Committee on Ways and Means. On January 15, 2014, the Assembly Committee on Ways and Means recommended adoption of Assembly Amendment 5 on a vote of Ayes, 7; Noes, 4. The committee introduced and recommended adoption of Assembly Amendment 1 to Assembly Amendment 7 on votes of Ayes, 11; Noes, 0; and recommended adoption of Assembly Amendment 7, as amended, on a vote of Ayes, 7; Noes, 4. The Committee on Ways and Means recommended adoption of Assembly Bill 484, as amended, on a vote of Ayes, 7; Noes, 4.

SG:jal