



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRB-1172/P4  
JK:cjs

DOA:.....Quinn, BB0163 - Manufacturing and agriculture credit limitation

**FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION**

AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**TAXATION**

INCOME TAXATION

***1. Manufacturing and agriculture credit limitation***

Currently, a person may claim a tax credit on the basis of the person's income from manufacturing or agriculture. This bill limits to \$300,000 the amount of income from manufacturing that a person may use as the basis for claiming the credit.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

**SECTION 1.** 71.07 (5n) (d) 2. of the statutes is amended to read:

71.07 (5n) (d) 2. For Except as provided in subd. 2m., for purposes of determining a claimant's eligible qualified production activities income under this subsection, the claimant shall multiply the claimant's qualified production activities

income from property manufactured by the claimant by the manufacturing property factor and qualified production activities income from property produced, grown, or extracted by the claimant by the agriculture property factor.

**SECTION 2.** 71.07 (5n) (d) 2m. of the statutes is created to read:

71.07 **(5n)** (d) 2m. For taxable years beginning after December 31, 2018, for purposes of determining a claimant's eligible qualified production activities income from manufacturing under this subsection, the claimant, including a beneficiary or fiduciary, shall multiply the claimant's qualified production activities income, not exceeding \$300,000, from property manufactured by the claimant by the manufacturing property factor.

**SECTION 3.** 71.28 (5n) (d) 2. of the statutes is amended to read:

71.28 **(5n)** (d) 2. Except as provided in subd. subds. 2m. and 3., for purposes of determining a claimant's eligible qualified production activities income under this subsection, the claimant shall multiply the claimant's qualified production activities income from property manufactured by the claimant by the manufacturing property factor and qualified production activities income from property produced, grown, or extracted by the claimant by the agriculture property factor.

**SECTION 4.** 71.28 (5n) (d) 2m. of the statutes is created to read:

71.28 **(5n)** (d) 2m. Except as provided in subd. 3., for taxable years beginning after December 31, 2018, for purposes of determining a claimant's eligible qualified production activities income from manufacturing under this subsection, the claimant shall multiply the claimant's qualified production activities income, not exceeding \$300,000, from property manufactured by the claimant by the manufacturing property factor.

**SECTION 5.** 71.28 (5n) (d) 3. a. of the statutes is amended to read:

71.28 **(5n)** (d) 3. a. The eligible qualified production activities income determined under subd. 2. or 2m.

**(END)**