

# State of Wisconsin



2009 Assembly Bill 756

Date of enactment: **May 12, 2010**  
Date of publication\*: **May 26, 2010**

## 2009 WISCONSIN ACT 294

**AN ACT** *to repeal* 71.07 (3n) (a) 6. c., 71.28 (3n) (a) 6. c. and 71.47 (3n) (a) 6. c.; and *to amend* 71.07 (3n) (a) 2. (intro.), 71.07 (3n) (a) 6. b., 71.07 (3n) (b) 1., 71.07 (3n) (d), 71.07 (3n) (e) 1., 71.07 (3n) (e) 2., 71.28 (3n) (a) 2. (intro.), 71.28 (3n) (a) 6. b., 71.28 (3n) (b) 1., 71.28 (3n) (d), 71.28 (3n) (e) 1., 71.28 (3n) (e) 2., 71.47 (3n) (a) 2. (intro.), 71.47 (3n) (a) 6. b., 71.47 (3n) (b) 1., 71.47 (3n) (d), 71.47 (3n) (e) 1. and 71.47 (3n) (e) 2. of the statutes; **relating to:** the dairy and livestock investment tax credits.

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

**SECTION 1.** 71.07 (3n) (a) 2. (intro.) of the statutes is amended to read:

71.07 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the construction, the improvement, or the acquisition of buildings or facilities, or the acquisition of equipment, for dairy animal housing, confinement, animal feeding, milk production, or waste management, including the following, if used exclusively related to dairy animals and if acquired and placed in service in this state during taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

**SECTION 2.** 71.07 (3n) (a) 6. b. of the statutes is amended to read:

71.07 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals, or both, means used to the exclusion of all other uses except for use not exceeding 5 percent of total use.

**SECTION 3.** 71.07 (3n) (a) 6. c. of the statutes is repealed.

**SECTION 4.** 71.07 (3n) (b) 1. of the statutes is amended to read:

71.07 (3n) (b) 1. Subject to the limitations provided in this subsection, for taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012, a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy farm modernization or expansion related to the operation of the claimant’s dairy farm.

**SECTION 5.** 71.07 (3n) (d) of the statutes is amended to read:

71.07 (3n) (d) The aggregate amount of credits that a claimant may claim under this subsection is \$50,000 ~~\$75,000~~, except that no more than \$50,000 of this amount may be based on costs incurred prior to the effective date of this paragraph ... [LRB inserts date].

**SECTION 6.** 71.07 (3n) (e) 1. of the statutes is amended to read:

71.07 (3n) (e) 1. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their payment of expenses under par. (b), except that the aggregate amount of credits that the entity may compute shall not exceed \$50,000 the limitation under par. (d). A partnership, limited liability company, or tax-option corporation shall

\* Section 991.11, WISCONSIN STATUTES 2007-08 : Effective date of acts. “Every act and every portion of an act enacted by the legislature over the governor’s partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated” by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest.

**SECTION 7.** 71.07 (3n) (e) 2. of the statutes is amended to read:

71.07 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock farm, each person may claim a credit under par. (b) in proportion to his or her ownership interest, except that the aggregate amount of the credits claimed by all persons who own and operate the farm shall not exceed ~~\$50,000~~ the limitation under par. (d).

**SECTION 8.** 71.28 (3n) (a) 2. (intro.) of the statutes is amended to read:

71.28 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the construction, the improvement, or the acquisition of buildings or facilities, or acquiring equipment, for dairy animal housing, confinement, animal feeding, milk production, or waste management, including the following, if used exclusively related to dairy animals and if acquired and placed in service in this state during taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

**SECTION 9.** 71.28 (3n) (a) 6. b. of the statutes is amended to read:

71.28 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals, or both, means used to the exclusion of all other uses except for use not exceeding 5 percent of total use.

**SECTION 10.** 71.28 (3n) (a) 6. c. of the statutes is repealed.

**SECTION 11.** 71.28 (3n) (b) 1. of the statutes is amended to read:

71.28 (3n) (b) 1. Subject to the limitations provided in this subsection, for taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012, a claimant may claim as a credit against the tax imposed under s. 71.23 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy farm modernization or expansion related to the operation of the claimant’s dairy farm.

**SECTION 12.** 71.28 (3n) (d) of the statutes is amended to read:

71.28 (3n) (d) The aggregate amount of credits that a claimant may claim under this subsection is ~~\$50,000~~ \$75,000, except that no more than \$50,000 of this amount may be based on costs incurred prior to the effective date of this paragraph ... [LRB inserts date].

**SECTION 13.** 71.28 (3n) (e) 1. of the statutes is amended to read:

71.28 (3n) (e) 1. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the

amount of, the credit are based on their payment of expenses under par. (b), except that the aggregate amount of credits that the entity may compute shall not exceed ~~\$50,000~~ the limitation under par. (d). A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest.

**SECTION 14.** 71.28 (3n) (e) 2. of the statutes is amended to read:

71.28 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock farm, each person may claim a credit under par. (b) in proportion to his or her ownership interest, except that the aggregate amount of the credits claimed by all persons who own and operate the farm shall not exceed ~~\$50,000~~ the limitation under par. (d).

**SECTION 15.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

71.47 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the construction, the improvement, or the acquisition of buildings or facilities, or the acquisition of equipment, for dairy animal housing, confinement, animal feeding, milk production, or waste management, including the following, if used exclusively related to dairy animals and if acquired and placed in service in this state during taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

**SECTION 16.** 71.47 (3n) (a) 6. b. of the statutes is amended to read:

71.47 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals, or both, means used to the exclusion of all other uses except for use not exceeding 5 percent of total use.

**SECTION 17.** 71.47 (3n) (a) 6. c. of the statutes is repealed.

**SECTION 18.** 71.47 (3n) (b) 1. of the statutes is amended to read:

71.47 (3n) (b) 1. Subject to the limitations provided in this subsection, for taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012, a claimant may claim as a credit against the tax imposed under s. 71.43 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy farm modernization or expansion related to the operation of the claimant’s dairy farm.

**SECTION 19.** 71.47 (3n) (d) of the statutes is amended to read:

71.47 (3n) (d) The aggregate amount of credits that a claimant may claim under this subsection is ~~\$50,000~~ \$75,000, except that no more than \$50,000 of this amount may be based on costs incurred prior to the effective date of this paragraph ... [LRB inserts date].

**SECTION 20.** 71.47 (3n) (e) 1. of the statutes is amended to read:

71.47 (3n) (e) 1. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their payment of expenses under par. (b), except that the aggregate amount of credits that the entity may compute shall not exceed \$50,000 the limitation under par. (d). A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-op-

tion corporations may claim the credit in proportion to their ownership interest.

**SECTION 21.** 71.47 (3n) (e) 2. of the statutes is amended to read:

71.47 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock farm, each person may claim a credit under par. (b) in proportion to his or her ownership interest, except that the aggregate amount of the credits claimed by all persons who own and operate the farm shall not exceed \$50,000 the limitation under par. (d).

**SECTION 21m. Nonstatutory provisions.**

(1) REQUIRED GENERAL FUND BALANCE. Section 20.003 (4) of the statutes does not apply to the action of the legislature in enacting this act.