



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-0167/P1
JK;jld:rs

DOA:.....Pawasarat, BB0013 - Holding period for early stage seed and angel investments

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Under current law, for calendar years beginning after December 31, 2007, a person who claims an early stage seed or angel investment income and franchise tax credit must pay back the amount of the credit, if the person holds the investment for which the credit relates for less than three years. This bill makes clear that investments made after December 31, 2007, must be held for at least three years in order for the investor to receive and keep the amount of the credit.

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

SECTION 1. 71.07 (5b) (d) 3. of the statutes is amended to read:

71.07 **(5b)** (d) 3. For calendar years beginning investments made after December 31, 2007, if an investment for which a claimant claims a credit under par.

(b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

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

71.07 **(5d)** (d) 1. For ~~calendar years beginning~~ investments made after December 31, 2007, if an investment for which a claimant claims a credit under par. (b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

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

71.28 **(5b)** (d) 3. For ~~calendar years beginning~~ investments made after December 31, 2007, if an investment for which a claimant claims a credit under par. (b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

SECTION 4. 71.47 (5b) (d) 3. of the statutes is amended to read:

71.47 **(5b)** (d) 3. For ~~calendar years beginning~~ investments made after December 31, 2007, if an investment for which a claimant claims a credit under par. (b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

(END)