



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2005 Wisconsin Act 452
[2005 Senate Bill 103]

**Research Tax Credit: Internal
Combustion Engines**

2005 Wisconsin Act 452 provides a 10% credit for qualified research expenses related to designing internal combustion engines (including substitute products such as fuel cell, electric, and hybrid drives) for vehicles, including expenses related to designing vehicles that are powered by such engines and improving production processes for such engines and vehicles, for such research that takes place in Wisconsin.

“Vehicle” is defined as any vehicle or frame, including parts, accessories, and component technologies, in which or on which an engine is mounted for use in mobile or stationary applications. “Vehicle” includes any truck, tractor, motorcycle, snowmobile, all-terrain vehicle, boat, personal watercraft, generator, construction equipment, lawn and garden maintenance equipment, automobile, van, sports utility vehicle, motor home, bus, or aircraft.

The bill also provides a 10% credit to construct and equip new facilities or expand existing facilities that are used in this state for qualified research related to manufacturing internal combustion engines, including expenses related to designing vehicles that are powered by such engines.

Effective Date:

Prepared by: Laura Rose, Deputy Director

November 6, 2006

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.state.wi.us/>.