



## 2005 ASSEMBLY BILL 125

February 22, 2005 - Introduced by Representatives OTT, NERISON, TOWNS, DAVIS, SUDER, GARD, HAHN, HINES, AINSWORTH, FREESE, MUSSER, NASS, TOWNSEND, MCCORMICK, LOEFFELHOLZ, F. LASEE, ALBERS, VAN ROY, GRONEMUS, M. WILLIAMS, LOTHIAN, PETROWSKI, VRAKAS, GUNDERSON, MURSAU, VRUWINK and BALLWEG, cosponsored by Senators KAPANKE, ROESSLER, BROWN, GROTHMAN, KANAVAS, LEIBHAM, HARSDFORF, LASSA, COWLES, HANSEN and KEDZIE. Referred to Committee on Agriculture.

- 1 **AN ACT to amend** 71.07 (3n) (a) 2. (intro.), 71.28 (3n) (a) 2. (intro.) and 71.47 (3n)  
2 (a) 2. (intro.); and **to create** 71.07 (3n) (a) 3., 71.28 (3n) (a) 3. and 71.47 (3n) (a)  
3 3. of the statutes; **relating to:** the dairy investment tax credit.

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### *Analysis by the Legislative Reference Bureau*

Under current law, for taxable years that begin after December 31, 2003, and before January 1, 2010, a person may claim an income and franchise tax credit equal to 10 percent of the amount the person paid in the taxable year for dairy farm modernization or expansion. The bill defines "dairy farm modernization or expansion" as 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, if used exclusively related to dairy animals. The term "used exclusively" is not defined.

This bill clarifies that the dairy investment credit applies to property and equipment that is acquired and placed in service in this state during taxable years that begin after December 31, 2003, and before January 1, 2010. In addition, under the bill, "used exclusively" means used to the exclusion of all other uses except for other use not exceeding 5 percent of total use.

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:***

**ASSEMBLY BILL 125****SECTION 1**

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

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

8           **SECTION 2.** 71.07 (3n) (a) 3. of the statutes is created to read:

9           71.07 **(3n)** (a) 3. “Used exclusively” means used to the exclusion of all other uses  
10 except for other use not exceeding 5 percent of total use.

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

12           71.28 **(3n)** (a) 2. (intro.) “Dairy farm modernization or expansion” means the  
13 construction, the improvement, or the acquisition of buildings or facilities, or  
14 acquiring equipment, for dairy animal housing, confinement, animal feeding, milk  
15 production, or waste management, including the following, if used exclusively  
16 related to dairy animals and if acquired and placed in service in this state during  
17 taxable years that begin after December 31, 2003, and before January 1, 2010:

18           **SECTION 4.** 71.28 (3n) (a) 3. of the statutes is created to read:

19           71.28 **(3n)** (a) 3. “Used exclusively” means used to the exclusion of all other uses  
20 except for other use not exceeding 5 percent of total use.

21           **SECTION 5.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

22           71.47 **(3n)** (a) 2. (intro.) “Dairy farm modernization or expansion” means the  
23 construction, the improvement, or the acquisition of buildings or facilities, or the  
24 acquisition of equipment, for dairy animal housing, confinement, animal feeding,  
25 milk production, or waste management, including the following, if used exclusively

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1 related to dairy animals and if acquired and placed in service in this state during  
2 taxable years that begin after December 31, 2003, and before January 1, 2010:

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

4 71.47 **(3n)** (a) 3. "Used exclusively" means used to the exclusion of all other uses  
5 except for other use not exceeding 5 percent of total use.

6 (END)