

10/13/98 3:26:06 PM

Page 1

1999 DRAFTING REQUEST

Bill

Received: **10/12/98**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 6-7329**

By/Representing: **Justus**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Alt. Drafters:

Subject: **Econ. Development - bus. dev.**
Econ. Development - misc.

Extra Copies:

Topic:

DOA:.....Justus - Allow commerce to create exceptions to full-time jobs requirement for development zones program

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 10/12/98	gilfokm 10/13/98		_____			State
/1			ismith 10/13/98	_____	lrb_docadmin 10/13/98		

FE Sent For:

<END>

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1/?	kahlepj	1-10-13 King	IS 10/13	IS/HH 10/13			

FE Sent For:

<END>

the employee in question is technically the employee of the firm that the certified business contracts with for services, the certified employer is indeed creating the jobs and thus should be able to receive the benefits of the tax credits.

Proposed change: Amend § 71.07 (2dj) (am) 3., 71.28 (1dj) (am) 3., and 71.47 (1dj) (am) 3. as follows:

71.07 (2dj) (am) 3. Modify the rule for certification under section 51(d) (16) (A) of the internal revenue code to allow certification within the 90 day period beginning with the first day of employment of the employee by the claimant.

H. Development Zones -- Exception to Full-Time Jobs Requirement

med
Enable the department, by rule, to create exceptions to the full-time jobs requirement. Some development zones are in tourism areas, and employ people for less than a full year. Other businesses have a full-time work week of fewer than 40 hours. Under current law, these businesses cannot claim any jobs credits because they do not fulfill the requirements of the credit.

Proposed change: Create § 560.785 (2) (c):

(c) The requirement that jobs for which credits are allocated be full-time as defined in § 560.70 (2m).

PKK

V. Division of International Development

A. Conversion to the Euro.

law
~~On January 1, 1999, the euro will become the single currency for Austria, Belgium, France, Finland, Germany, Ireland, Luxembourg, Portugal, Spain, and the Netherlands. Until 2002, each member state's currency will continue to exist, but only as a denomination of the euro, and not as an independent currency.~~

Enforceability issues could arise concerning contracts entered into before the conversion date and stated in terms of currency that no longer exists after the conversion date. For contracts governed by the laws of the member states, a European Union regulation provides that the introduction of the euro does not give either party the right to terminate performance under the contract.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0555
PJK.....

King

DOA:.....Justus - Allow commerce to create exceptions to full-time jobs requirement for development zones program

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

*SOON
(10-12)
D-note*

5/14

*do not
gen cat*

- 1 AN ACT **relating to:** creating an exception related to full-time jobs under the
- 2 development zones program.

**Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT**

ECONOMIC DEVELOPMENT

The department of commerce administers three types of development zone programs: 1) the development zone program; 2) the development opportunity zone program; and 3) the enterprise development zone program. Generally, after the department designates an area as one of the three types of development zones, a person or corporation that conducts or that intends to conduct economic activity in the designated zone is or may be certified by the department as eligible for certain tax credits, called development zones credits, based on the creation or retention of jobs and on expenses incurred to remediate environmental problems.

The department of commerce must promulgate rules for the development zones programs that further define a person's eligibility to claim tax credits. Current law specifies certain rules that the department must promulgate at a minimum, such the amount in tax credits that a person may claim for creating a full-time job that is filled by an individual who is a member of the population targeted for benefit in the area of the person's economic activity. The department is also given authority to by rule make exceptions for certain requirements under the development zones programs.

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→) all components of the definition of a full-time job for purposes of the development zone programs

The bill authorizes the department to make an exception to the requirement that a created or retained job for which a person may receive tax credits must be regular, nonseasonal and full-time and must require the employe to work at least 2,080 hours per year.

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

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

1 **SECTION 1.** 560.785 (2) (c) of the statutes is created to read:

2 560.785 (2) (c) The requirement under ss. 560.70 (2m) and 560.797 (1) (am) that
3 an individual's position must be regular, nonseasonal and full-time and that the
4 individual must be required to work at least 2,080 hours per year, including paid
5 leave and holidays.

6 **SECTION 9310. Initial applicability; commerce.**

7 (1) MAKING AN EXCEPTION RELATED TO THE DEFINITION OF FULL-TIME JOB. The
8 treatment of section 560.785 (2) (c) of the statutes first applies to taxable years
9 beginning on January 1, 2000.

10

(END)

D-note

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0555/dn
PJK.....
KMG

I know the provision created in this draft seems cumbersome, but I tried to make the wording consistent with the way in which s. 560.785 (2) (b) is worded. Paragraphs (b) and (c) could be eliminated and one paragraph could be drafted that allows the department to make an exception with respect to any component of the definition of a full-time job.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

(WPO: if you find 2 of these d-notes,
use either one - I created 2
because one is closed out properly
to the folder and the other "disappeared".)
WPO: I showed
Pam where it's at. KG

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0555/1dn
PJK:kmg:ijs

October 13, 1998

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State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0555/1

PJK:kmg:ijs

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