

2001 DRAFTING REQUEST

Senate Amendment (SA-SSA1-SB55)

Received: 06/15/2001

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Senate Democratic Caucus

By/Representing: keckhaver

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax - corp. inc. and fran.
Tax Credits - miscellaneous

Extra Copies:

Submit via email: NO

Requester's email:

Pre Topic:

SDC:.....Keckhaver - CN1130,

Topic:

Technical correction to clarify use of the development zones tax credit for Milwaukee development opportunity zone

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>
/1	jkreye 06/17/2001	gilfokm 06/17/2001	pgreensl 06/18/2001	_____	lrb_docadmin 06/18/2001		
	jkreye 06/18/2001	gilfokm 06/18/2001		_____			
/2			haugeca	_____	lrb_docadmin		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
			06/19/2001	_____	06/19/2001		

FE Sent For:

<END>

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FE Sent For:

12-6/19
brmq

12 hnh
6/18/01

<END>

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5

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1?	jkrcyc	1-6/17 King	6/18 PS	6/18 6/18 PS/KJ			
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FE Sent For:

<END>

Agency: General Fund Taxes

caucus number 1130

duplicate flag:
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	
LRB draft #	LRB P-draft:

other notes

Description2: Make a technical correction to clarify the use of the development zone tax credit for the Milwaukee Development Opportunity Zone.

drafting instructions: [Ron Shanovich at LFB has drafting instructions for LRB on this].
more instructions:

Agency: General Fund Taxes

Number of Amendments: 1

no attachments

~~AKS~~

JK

201
2/22/81 JH

Non-Milwaukee opportunity zone

al funds - payments for commercial services

partnership type deed

Remember Ron's home # 233-5751

934

931

no partnerships - llc and tax options con
chain but only in the Milw. zone?

offset all income from anywhere

directly related

language eliminated

only for Milwaukee zone



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb1063/

JK: /
mig
RMK

✓
SDC:.....keckhaver – CN1130. ✓ Technical correction to clarify use of the
development zones tax credit for Milwaukee development
opportunity zone

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT

TO SENATE SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

in 6-17-01

1 At the locations indicated, amend the substitute amendment as follows:

2 ✓ 1. Page 734, line 22: after that line insert:

3 “SECTION 2147b. 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

4 71.07 (2dx) (b) *Credit.* (intro.) Except as provided in s. 73.03 (35) and subject
5 to s. 560.785, for any taxable year for which the person is entitled under s. 560.795
6 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4), any person
7 may claim as a credit against taxes imposed under s. 71.02 ✓ on the person's income
8 from the person's business activities in a development zone; or, for a person in a

1 development zone under s. 560.795 (1) (e), against taxes imposed under s. 71.02 on
2 the person's income, regardless of its source; the following amounts:".

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198.

3 ✓ 2. Page 797, line 24: after that line insert:

4 "SECTION 2178b. 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

5 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in s. 73.03 (35) and subject
6 to s. 560.785, for any taxable year for which the person is entitled under s. 560.795
7 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4), any person
8 may claim as a credit against taxes imposed under s. 71.23 on the person's income
9 from the person's business activities in a development zone ~~under this subchapter;~~
10 or, for a person in a development zone under s. 560.795 (1) (e), against taxes imposed
11 under s. 71.23 on the person's income, regardless of its source; the following
12 amounts:".

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

13 ✓ 3. Page 830, line 19: after that line insert:

14 "SECTION 2192b, 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

15 71.47 (1dx) (b) *Credit.* (intro.) Except or provided in s. 73.03 (35) and subject
16 to s. 560.785, for any taxable year for which the person is entitled under s. 560.795
17 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4), any person
18 may claim as a credit against taxes imposed under s. 71.43 on the person's income
19 from the person's business activities in a development zone ~~under this subchapter;~~
20 or, for a person in a development zone under s. 560.795 (1) (e), against taxes imposed
21 under s. 71.43 on the person's income, regardless of its source; the following
22 amounts:".

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

1

✓ 4. Page 1405, line 14: after that line insert:

sections

2

“(11) ^Z DEVELOPMENT ZONE ^S CREDIT. The treatment of 71.07 (2dx) (b) (intro.), 71.28 (1dx) (b) (intro.), and 71.47 (1dx) (b) (intro.) of the statutes first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this subsection takes effect after July 31 the treatment of ^f 71.07 (2dx) (b) (intro.), 71.28 (1dx) (b) (intro.), and 71.47 (1dx) (b) (intro.) of the statutes first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.”

sections

9

(END)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb10634²
JK:kmg:pg
RM not min

SDC:.....Keckhaver - CN1130, Technical correction to clarify use of the development zones tax credit for Milwaukee development opportunity zone

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55

as 6-18-01

1 At the locations indicated, amend the substitute amendment as follows:

2 ~~1. Page 734, line 22: after that line insert:~~

3 ~~"SECTION 2147b. 71.07 (2dx) (b) (intro.) of the statutes is amended to read:~~

4 ~~71.07 (2dx) (b) Credit. (intro.) Except as provided in s. 73.03 (35) and subject~~

5 ~~to s. 560.785, for any taxable year for which the person is entitled under s. 560.795~~

6 ~~(3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4), any person~~

7 ~~may claim as a credit against taxes imposed under s. 71.02 on the person's income~~

8 ~~from the person's business activities in a development zone; or, for a person in a~~

1 development zone under s. 560.795 (1) (e), against taxes imposed under s. 71.02 on
2 the person's income, regardless of its source; the following amounts:"

3 **2.** Page 797, line 24: after that line insert:

4 **"SECTION 2178b.** 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

5 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in s. 73.03 (35) and subject
6 to s. 560.785, for any taxable year for which the person is entitled under s. 560.795
7 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4), any person
8 may claim as a credit against taxes imposed under s. 71.23 on the person's income
9 from the person's business activities in a development zone under this subchapter,
10 or, for a person in a development zone under s. 560.795 (1) (e), against taxes imposed
11 under s. 71.23 on the person's income, regardless of its source; the following
12 amounts:"

13 **3.** Page 830, line 19: after that line insert:

14 **"SECTION 2192b.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

15 71.47 (1dx) (b) *Credit.* (intro.) Except or provided in s. 73.03 (35) and subject
16 to s. 560.785, for any taxable year for which the person is entitled under s. 560.795
17 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797 (4), any person
18 may claim as a credit against taxes imposed under s. 71.43 on the person's income
19 from the person's business activities in a development zone under this subchapter,
20 or, for a person in a development zone under s. 560.795 (1) (e), against taxes imposed
21 under s. 71.43 on the person's income, regardless of its source; the following
22 amounts:"

23 **4.** Page 1405, line 14: after that line insert:

INSERT A

and (be) and (bg)

(2di)(b) 1, and 3, and

1 “(11z) DEVELOPMENT ZONES CREDIT. The treatment of sections 71.07 (2dx) (b)

2 (intro.), 71.28 (1dx) (b) (intro.), and 71.47 (1dx) (b) (intro.) of the statutes first applies

3 to taxable years beginning on January 1 of the year in which this subsection takes

4 effect, except that if this subsection takes effect after July 31 the treatment of

5 sections 71.07 (2dx) (b) (intro.), 71.28 (1dx) (b) (intro.), and 71.47 (1dx) (b) (intro.) of

6 the statutes first applies to taxable years beginning on January 1 of the year

7 following the year in which this subsection takes effect.”

(END)

(2di)(b) 1, and 3, and

and (be) and (bg)

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1063/lins
JK:kmg:pg

Insert A

1 ✓ 1. Page 730, line 18: after that line insert:

2 "SECTION 2145m. 71.07 (2di) (b) 1. of the statutes is amended to read:

3 71.07 (2di) (b) 1. Except as provided in subd. 2., the credit, including any
4 credits carried over, may be offset only against the amount of the tax otherwise due
5 under this chapter attributable to income from the business operations of the
6 claimant in the development zone; except that a claimant in a development zone
7 under s. 560.795 (1) (e) may offset the credit, including any credits carried over,
8 against the amount of the tax otherwise due under this chapter attributable to all
9 of the claimant's income; and against the tax attributable to income from directly
10 related business operations of the claimant.

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27
ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198.

11 SECTION 2145p. 71.07 (2di) (b) 3. of the statutes is amended to read:

12 71.07 (2di) (b) 3. Partnerships, limited liability companies and tax-option
13 corporations may not claim the credit under this subsection, but the eligibility for,
14 and amount of, that credit shall be determined on the basis of their economic activity,
15 not that of their shareholders, partners or members. The corporation, partnership
16 or company shall compute the amount of the credit that may be claimed by each of
17 its shareholders, partners or members and shall provide that information to each of
18 its shareholders, partners or members. Partners, members of limited liability
19 companies and shareholders of tax-option corporations may claim the credit based
20 on the partnership's, company's or corporation's activities in proportion to their
21 ownership interest and may offset it against the tax attributable to their income from
22 the partnership's, company's or corporation's business operations in the

1 development zone; except that partners, members, and shareholders in a
 2 development zone under s. 560.795 (1) (e) may offset the credit against the amount
 3 of the tax attributable to their income from all of the partnership's, company's, or
 4 corporation's business operations; and against the tax attributable to their income
 5 from the partnership's, company's or corporation's directly related business
 6 operations."

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116(5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198.

7 ✓ **2.** Page 733, line 2: after that line insert:

8 " (hm) Credits claimed under this subsection, including any credits carried over,
 9 may be offset only against the amount of the tax otherwise due under this subchapter
 10 attributable to income from the business operations of the claimant in the
 11 development zone; except that a claimant in a development zone under s. 560.795 (1)
 12 (e) may offset credits, including any credits carried over, against the amount of the
 13 tax otherwise due under this subchapter attributable to all of the claimant's income;
 14 and against the tax attributable to income from directly related business operations
 15 of the claimant."

16 ✓ **3.** Page 733, line 14: after "zone" insert "; except that partners, members, and
 17 shareholders in a development zone under s. 560.795 (1) (e) may offset the credit
 18 against the amount of the tax attributable to their income from all of the
 19 partnership's, company's or corporation's business operations;"

20 ✓ **4.** Page 734, line 22: after that line insert:

21 "SECTION 2147k. 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

22 71.07 (2dx) (b) *Credit*. (intro.) Except as provided in pars. (be) and (bg) and in s. 73.03
 23 (35), and subject to s. 560.785, for any taxable year for which the person is entitled
 24 under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3) or 560.797

text: treat

(4), any person may claim as a credit against taxes imposed on the person's income from the person's business activities in a development zone the following amounts:

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198.

SECTION 2147m. 71.07 (2dx) (be) of the statutes is created to read:

71.07 (2dx) (be) ^I offset. A claimant in a development zone under s. 560.795 (1) (e) may offset any credits claimed under this subsection, including any credits carried over, against the amount of the tax otherwise due under this subchapter attributable to all of the claimant's income and against the tax attributable to income from directly related business operations of the claimant.

SECTION 2147a. 71.07 (2dx) (bg) of the statutes is created to read:

71.07 (2dx) (bg) ^I other entities. For claimants in a development zone under s. 560.795 (1) (e), partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and amount of, that credit shall be determined on the basis of their economic activity, not that of their shareholders, partners, or members. The corporation, partnership, or company shall compute the amount of the credit that may be claimed by each of its shareholders, partners, or members and shall provide that information to each of its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income from ~~the~~ all of the partnership's, company's, or corporation's business operations and against the tax attributable to their income from the partnership's, company's, or corporation's directly related business operations."

5. Page 793, line 5: after that line insert:

22

6
1 "SECTION 217~~5~~⁶m. 71.28 (1di) (b) 1. of the statutes is amended to read:

2 71.28 (1di) (b) 1. Except as provided in subd. 2., the credit, including any
3 credits carried over, may be offset only against the amount of the tax otherwise due
4 under this chapter attributable to income from the business operations of the
5 claimant in the development zone; except that a claimant in a development zone
6 under s560.795 (1) (e) may offset the credit, including any credits carried over,
7 against the amount of the tax otherwise due under this chapter attributable to all
8 of the claimant's income; and against the tax attributable to income from directly
9 related business operations of the claimant.

6
History: 1987 a. 312; 1987 a. 411 ss. 88, 130~~1~~⁶ 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r
to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

10 "SECTION 217~~5~~⁶p. 71.28 (1di) (b) 3. of the statutes is amended to read:

11 71.28 (1di) (b) 3. Partnerships, limited liability companies and tax-option
12 corporations may not claim the credit under this subsection, but the eligibility for,
13 and amount of, that credit shall be determined on the basis of their economic activity,
14 not that of their shareholders, partners or members. The corporation, partnership
15 or limited liability company shall compute the amount of the credit that may be
16 claimed by each of its shareholders, partners or members and shall provide that
17 information to each of its shareholders, partners or members. Partners, members
18 of limited liability companies and shareholders of tax-option corporations may claim
19 the credit based on the partnership's, company's or corporation's activities in
20 proportion to their ownership interest and may offset it against the tax attributable
21 to their income from the partnership's, company's or corporation's business
22 operations in the development zone; except that partners, members, and
23 shareholders in a development zone under s560.795 (1) (e) may offset the credit
24 against the amount of the tax attributable to their income from all of the

1 partnership's, company's, or corporation's business operations; and against the tax
 2 attributable to their income from the partnership's, company's or corporation's
 3 directly related business operations.”

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

4 ✓ **6.** Page 796, line 5: after that line insert:

5 “(hm) Credits claimed under this subsection, including any credits carried over,
 6 may be offset only against the amount of the tax otherwise due under this subchapter
 7 attributable to income from the business operations of the claimant in the
 8 development zone; except that a claimant in a development zone under s. 560.795 (1)
 9 (e) may offset credits, including any credits carried over, against the amount of the
 10 tax otherwise due under this subchapter attributable to all of the claimant's income;
 11 and against the tax attributable to income from directly related business operations
 12 of the claimant.”

13 ✓ **7.** Page 796, line 17: after “zone” insert “; except that partners, members, and
 14 shareholders in a development zone under s. 560.795 (1) (e) may offset the credit
 15 against the amount of the tax attributable to their income from all of the
 16 partnership's, company's, or corporation's business operations;”

17 ✓ **8.** Page 797, line 24: after that line insert:

18 “SECTION 2178k. 71.28 (1dx) (b) (intro.) of the statutes is amended to read:
 19 71.28 (1dx) (b) *Credit*. (intro.) Except as provided in pars. (be) and (bg) and
 20 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person
 21 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3)
 22 or 560.797 (4), any person may claim as a credit against taxes imposed on the person's

1 income from the person's business activities in a development zone under this
2 subchapter the following amounts:

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

3 SECTION 2178m. 71.28 (1dx) (be) of the statutes is created to read:

4 71.28 (1dx) (be) ^{ⓐ Offset.} A claimant in a development zone under s. 560.795 (1) (e) [✓] may
5 offset any credits claimed under this subsection, including any credits carried over,
6 against the amount of the tax otherwise due under this subchapter attributable to
7 all of the claimant's income and against the tax attributable to income from directly
8 related business operations of the claimant.

9 SECTION 2178m. [ⓑ] 71.28 (1dx) (bg) of the statutes is created to read:

10 71.28 (1dx) (bg) ^{ⓐ Other entities} For claimants in a development zone under s. 560.795 (1) (e),
11 partnerships, limited liability companies, [✓] and tax-option corporations may not claim
12 the credit under this subsection, but the eligibility for, and amount of, that credit
13 shall be determined on the basis of their economic activity, not that of their
14 shareholders, partners, [✓] or members. The corporation, partnership, [✓] or company shall
15 compute the amount of the credit that may be claimed by each of its shareholders,
16 partners, [✓] or members and shall provide that information to each of its shareholders,
17 partners, [✓] or members. Partners, members of limited liability companies, [✓] and
18 shareholders of tax-option corporations may claim the credit based on the
19 partnership's, company's, [✓] or corporation's activities in proportion to their ownership
20 interest and may offset it against the tax attributable to their income from [✓] ~~the~~ all of
21 the partnership's, company's, [✓] or corporation's business operations and against the
22 tax attributable to their income from the partnership's, company's, [✓] or corporation's
23 directly related business operations.”.

24 [✓]9. Page 826, line 16: after that line insert:

1 "SECTION 2190m. 71.47 (1di) (b) 1. of the statutes is amended to read:

2 71.47 (1di) (b) 1. Except as provided in subd. 2., the credit, including any
3 credits carried over, may be offset only against the amount of the tax otherwise due
4 under this chapter attributable to income from the business operations of the
5 claimant in the development zone; except that a claimant in a development zone
6 under s560.795 (1) (e) may offset the credit, including any credits carried over,
7 against the amount of the tax otherwise due under this chapter attributable to all
8 of the claimant's income; and against the tax attributable to income from directly
9 related business operations of the claimant.

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

10 SECTION 2190p. 71.47 (1di) (b) 3. of the statutes is amended to read:

11 71.47 (1di) (b) 3. Partnerships, limited liability companies and tax-option
12 corporations may not claim the credit under this subsection, but the eligibility for,
13 and amount of, that credit shall be determined on the basis of their economic activity,
14 not that of their shareholders, partners or members. The corporation, partnership
15 or limited liability company shall compute the amount of the credit that may be
16 claimed by each of its shareholders, partners or members and shall provide that
17 information to each of its shareholders, partners or members. Partners, members
18 of limited liability companies and shareholders of tax-option corporations may claim
19 the credit based on the partnership's, company's or corporation's activities in
20 proportion to their ownership interest and may offset it against the tax attributable
21 to their income from the partnership's, company's or corporation's business
22 operations in the development zone; except that a claimant in a development zone
23 under s560.795 (1) (e) may offset the credit, including any credits carried over,
24 against the amount of the tax otherwise due under this chapter attributable to all

1 of the claimant's income; and against the tax attributable to their income from the
2 partnership's, company's or corporation's directly related business operations."

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

3 ✓ 10. Page 828, line 24: after that line insert:

4 " (hm) Credits claimed under this subsection, including any credits carried over,
5 may be offset only against the amount of the tax otherwise due under this subchapter
6 attributable to income from the business operations of the claimant in the
7 development zone; except that a claimant in a development zone under s. 560.795 (1)
8 (e) may offset credits, including any credits carried over, against the amount of the
9 tax otherwise due under this subchapter attributable to all of the claimant's income;
10 and against the tax attributable to income from directly related business operations
11 of the claimant."

12 ✓ 11. Page 829, line 12: after "zone" insert "; except that partners, members, and
13 shareholders in a development zone under s. 560.795 (1) (e) may offset the credit
14 against the amount of the tax attributable to their income from all of the
15 partnership's, company's, or corporation's business operations;"

16 ✓ 12. Page 830, line 2: after that line insert:

17 "SECTION 2192k. 71.47 (1dx) (b) (intro.) of the statutes is amended to read:
18 71.47 (1dx) (b) *Credit*. (intro.) Except or provided in pars. (bo) and (bg) and
19 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person
20 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3)
21 or 560.797 (4), any person may claim as a credit against taxes imposed on the person's

1 income from the person's business activities in a development zone under this
2 subchapter the following amounts:

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9.

3 ⁹⁹ SECTION 2170m. 71.47 (1dx) (be) of the statutes is created to read:

4 71.47 (1dx) (be) ^{Offset.} A claimant in a development zone under s. 560.795 (1) (e) ^{ae} may
5 offset any credits claimed under this subsection, including any credits carried over,
6 against the amount of the tax otherwise due under this subchapter attributable to
7 all of the claimant's income and against the tax attributable to income from directly
8 related business operations of the claimant.

9 ^{99 P} SECTION 2170m. 71.47 (1dx) (bg) of the statutes is created to read:

10 71.47 (1dx) (bg) ^{Other entities.} For claimants in a development zone under s. 560.795 (1) (e),
11 partnerships, limited liability companies ^v and tax-option corporations may not claim
12 the credit under this subsection, but the eligibility for, and amount of, that credit
13 shall be determined on the basis of their economic activity, not that of their
14 shareholders, partners ^v or members. The corporation, partnership ^v or company shall
15 compute the amount of the credit that may be claimed by each of its shareholders,
16 partners ^v or members and shall provide that information to each of its shareholders,
17 partners ^v or members. Partners, members of limited liability companies ^v and
18 shareholders of tax-option corporations may claim the credit based on the
19 partnership's, company's ^v or corporation's activities in proportion to their ownership
20 interest and may offset it against the tax attributable to their income from ~~the~~ all of
21 the partnership's, company's ^v or corporation's business operations and against the
22 tax attributable to their income from the partnership's, company's ^v or corporation's
23 directly related business operations.".

SDC:.....Keckhaver – CN1130, Technical correction to clarify use of the development zones tax credit for Milwaukee development opportunity zone

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT

TO SENATE SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 730, line 18: after that line insert:

3 “**SECTION 2145m.** 71.07 (2di) (b) 1. of the statutes is amended to read:

4 71.07 (2di) (b) 1. Except as provided in subd. 2., the credit, including any
5 credits carried over, may be offset only against the amount of the tax otherwise due
6 under this chapter attributable to income from the business operations of the
7 claimant in the development zone; except that a claimant in a development zone
8 under s. 560.795 (1) (e) may offset the credit, including any credits carried over,
9 against the amount of the tax otherwise due under this chapter attributable to all

1 of the claimant's income; and against the tax attributable to income from directly
2 related business operations of the claimant.

3 **SECTION 2145p.** 71.07 (2di) (b) 3. of the statutes is amended to read:

4 71.07 (2di) (b) 3. Partnerships, limited liability companies and tax-option
5 corporations may not claim the credit under this subsection, but the eligibility for,
6 and amount of, that credit shall be determined on the basis of their economic activity,
7 not that of their shareholders, partners or members. The corporation, partnership
8 or company shall compute the amount of the credit that may be claimed by each of
9 its shareholders, partners or members and shall provide that information to each of
10 its shareholders, partners or members. Partners, members of limited liability
11 companies and shareholders of tax-option corporations may claim the credit based
12 on the partnership's, company's or corporation's activities in proportion to their
13 ownership interest and may offset it against the tax attributable to their income from
14 the partnership's, company's or corporation's business operations in the
15 development zone; except that partners, members, and shareholders in a
16 development zone under s. 560.795 (1) (e) may offset the credit against the amount
17 of the tax attributable to their income from all of the partnership's, company's, or
18 corporation's business operations; and against the tax attributable to their income
19 from the partnership's, company's or corporation's directly related business
20 operations.”.

21 **2.** Page 733, line 2: after that line insert:

22 “(hm) Credits claimed under this subsection, including any credits carried over,
23 may be offset only against the amount of the tax otherwise due under this subchapter
24 attributable to income from the business operations of the claimant in the

1 development zone; except that a claimant in a development zone under s. 560.795 (1)
2 (e) may offset credits, including any credits carried over, against the amount of the
3 tax otherwise due under this subchapter attributable to all of the claimant's income;
4 and against the tax attributable to income from directly related business operations
5 of the claimant.”.

6 **3.** Page 733, line 14: after “zone” insert “; except that partners, members, and
7 shareholders in a development zone under s. 560.795 (1) (e) may offset the credit
8 against the amount of the tax attributable to their income from all of the
9 partnership's, company's, or corporation's business operations;”.

10 **4.** Page 734, line 22: after that line insert:

11 **“SECTION 2147k.** 71.07 (2dx) (b) (intro.) of the statutes is amended to read:

12 71.07 (2dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
13 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person
14 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3)
15 or 560.797 (4), any person may claim as a credit against taxes imposed on the person's
16 income from the person's business activities in a development zone the following
17 amounts:

18 **SECTION 2147m.** 71.07 (2dx) (be) of the statutes is created to read:

19 71.07 (2dx) (be) *Offset.* A claimant in a development zone under s. 560.795 (1)
20 (e) may offset any credits claimed under this subsection, including any credits
21 carried over, against the amount of the tax otherwise due under this subchapter
22 attributable to all of the claimant's income and against the tax attributable to income
23 from directly related business operations of the claimant.

24 **SECTION 2147p.** 71.07 (2dx) (bg) of the statutes is created to read:

1 71.07 (2dx) (bg) *Other entities*. For claimants in a development zone under s.
2 560.795 (1) (e), partnerships, limited liability companies, and tax-option
3 corporations may not claim the credit under this subsection, but the eligibility for,
4 and amount of, that credit shall be determined on the basis of their economic activity,
5 not that of their shareholders, partners, or members. The corporation, partnership,
6 or company shall compute the amount of the credit that may be claimed by each of
7 its shareholders, partners, or members and shall provide that information to each
8 of its shareholders, partners, or members. Partners, members of limited liability
9 companies, and shareholders of tax-option corporations may claim the credit based
10 on the partnership's, company's, or corporation's activities in proportion to their
11 ownership interest and may offset it against the tax attributable to their income from
12 all of the partnership's, company's, or corporation's business operations and against
13 the tax attributable to their income from the partnership's, company's, or
14 corporation's directly related business operations.”.

15 **5.** Page 793, line 22: after that line insert:

16 “**SECTION 2176m.** 71.28 (1di) (b) 1. of the statutes is amended to read:

17 71.28 (1di) (b) 1. Except as provided in subd. 2., the credit, including any
18 credits carried over, may be offset only against the amount of the tax otherwise due
19 under this chapter attributable to income from the business operations of the
20 claimant in the development zone; except that a claimant in a development zone
21 under s. 560.795 (1) (e) may offset the credit, including any credits carried over,
22 against the amount of the tax otherwise due under this chapter attributable to all
23 of the claimant's income; and against the tax attributable to income from directly
24 related business operations of the claimant.

1 **SECTION 2176p.** 71.28 (1di) (b) 3. of the statutes is amended to read:

2 71.28 (1di) (b) 3. Partnerships, limited liability companies and tax-option
3 corporations may not claim the credit under this subsection, but the eligibility for,
4 and amount of, that credit shall be determined on the basis of their economic activity,
5 not that of their shareholders, partners or members. The corporation, partnership
6 or limited liability company shall compute the amount of the credit that may be
7 claimed by each of its shareholders, partners or members and shall provide that
8 information to each of its shareholders, partners or members. Partners, members
9 of limited liability companies and shareholders of tax-option corporations may claim
10 the credit based on the partnership's, company's or corporation's activities in
11 proportion to their ownership interest and may offset it against the tax attributable
12 to their income from the partnership's, company's or corporation's business
13 operations in the development zone; except that partners, members, and
14 shareholders in a development zone under s. 560.795 (1) (e) may offset the credit
15 against the amount of the tax attributable to their income from all of the
16 partnership's, company's, or corporation's business operations; and against the tax
17 attributable to their income from the partnership's, company's or corporation's
18 directly related business operations.”.

19 **6.** Page 796, line 5: after that line insert:

20 “(hm) Credits claimed under this subsection, including any credits carried over,
21 may be offset only against the amount of the tax otherwise due under this subchapter
22 attributable to income from the business operations of the claimant in the
23 development zone; except that a claimant in a development zone under s. 560.795 (1)
24 (e) may offset credits, including any credits carried over, against the amount of the

1 tax otherwise due under this subchapter attributable to all of the claimant's income;
2 and against the tax attributable to income from directly related business operations
3 of the claimant.”.

4 **7.** Page 796, line 17: after “zone” insert “; except that partners, members, and
5 shareholders in a development zone under s. 560.795 (1) (e) may offset the credit
6 against the amount of the tax attributable to their income from all of the
7 partnership's, company's, or corporation's business operations;”.

8 **8.** Page 797, line 24: after that line insert:

9 “**SECTION 2178k.** 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

10 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
11 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person
12 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3)
13 or 560.797 (4), any person may claim as a credit against taxes imposed on the person's
14 income from the person's business activities in a development zone under this
15 subchapter the following amounts:

16 **SECTION 2178m.** 71.28 (1dx) (be) of the statutes is created to read:

17 71.28 (1dx) (be) *Offset.* A claimant in a development zone under s. 560.795 (1)
18 (e) may offset any credits claimed under this subsection, including any credits
19 carried over, against the amount of the tax otherwise due under this subchapter
20 attributable to all of the claimant's income and against the tax attributable to income
21 from directly related business operations of the claimant.

22 **SECTION 2178p.** 71.28 (1dx) (bg) of the statutes is created to read:

23 71.28 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
24 560.795 (1) (e), partnerships, limited liability companies, and tax-option

1 corporations may not claim the credit under this subsection, but the eligibility for,
2 and amount of, that credit shall be determined on the basis of their economic activity,
3 not that of their shareholders, partners, or members. The corporation, partnership,
4 or company shall compute the amount of the credit that may be claimed by each of
5 its shareholders, partners, or members and shall provide that information to each
6 of its shareholders, partners, or members. Partners, members of limited liability
7 companies, and shareholders of tax-option corporations may claim the credit based
8 on the partnership's, company's, or corporation's activities in proportion to their
9 ownership interest and may offset it against the tax attributable to their income from
10 all of the partnership's, company's, or corporation's business operations and against
11 the tax attributable to their income from the partnership's, company's, or
12 corporation's directly related business operations.”.

13 **9.** Page 826, line 16: after that line insert:

14 “**SECTION 2190m.** 71.47 (1di) (b) 1. of the statutes is amended to read:

15 71.47 (1di) (b) 1. Except as provided in subd. 2., the credit, including any
16 credits carried over, may be offset only against the amount of the tax otherwise due
17 under this chapter attributable to income from the business operations of the
18 claimant in the development zone; except that a claimant in a development zone
19 under s. 560.795 (1) (e) may offset the credit, including any credits carried over,
20 against the amount of the tax otherwise due under this chapter attributable to all
21 of the claimant's income; and against the tax attributable to income from directly
22 related business operations of the claimant.

23 **SECTION 2190p.** 71.47 (1di) (b) 3. of the statutes is amended to read:

1 71.47 (1di) (b) 3. Partnerships, limited liability companies and tax-option
2 corporations may not claim the credit under this subsection, but the eligibility for,
3 and amount of, that credit shall be determined on the basis of their economic activity,
4 not that of their shareholders, partners or members. The corporation, partnership
5 or limited liability company shall compute the amount of the credit that may be
6 claimed by each of its shareholders, partners or members and shall provide that
7 information to each of its shareholders, partners or members. Partners, members
8 of limited liability companies and shareholders of tax-option corporations may claim
9 the credit based on the partnership's, company's or corporation's activities in
10 proportion to their ownership interest and may offset it against the tax attributable
11 to their income from the partnership's, company's or corporation's business
12 operations in the development zone; except that a claimant in a development zone
13 under s. 560.795 (1) (e) may offset the credit, including any credits carried over,
14 against the amount of the tax otherwise due under this chapter attributable to all
15 of the claimant's income; and against the tax attributable to their income from the
16 partnership's, company's or corporation's directly related business operations.”.

17 **10.** Page 828, line 24: after that line insert:

18 “(hm) Credits claimed under this subsection, including any credits carried over,
19 may be offset only against the amount of the tax otherwise due under this subchapter
20 attributable to income from the business operations of the claimant in the
21 development zone; except that a claimant in a development zone under s. 560.795 (1)
22 (e) may offset credits, including any credits carried over, against the amount of the
23 tax otherwise due under this subchapter attributable to all of the claimant's income;

1 and against the tax attributable to income from directly related business operations
2 of the claimant.”.

3 **11.** Page 829, line 12: after “zone” insert “; except that partners, members, and
4 shareholders in a development zone under s. 560.795 (1) (e) may offset the credit
5 against the amount of the tax attributable to their income from all of the
6 partnership’s, company’s, or corporation’s business operations;”.

7 **12.** Page 830, line 19: after that line insert:

8 “**SECTION 2192k.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

9 71.47 (1dx) (b) *Credit.* (intro.) Except or provided in pars. (be) and (bg) and
10 in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person
11 is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3)
12 or 560.797 (4), any person may claim as a credit against taxes imposed on the person’s
13 income from the person’s business activities in a development zone under this
14 subchapter the following amounts:

15 **SECTION 2192m.** 71.47 (1dx) (be) of the statutes is created to read:

16 71.47 (1dx) (be) *Offset.* A claimant in a development zone under s. 560.795 (1)
17 (e) may offset any credits claimed under this subsection, including any credits
18 carried over, against the amount of the tax otherwise due under this subchapter
19 attributable to all of the claimant’s income and against the tax attributable to income
20 from directly related business operations of the claimant.

21 **SECTION 2192p.** 71.47 (1dx) (bg) of the statutes is created to read:

22 71.47 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
23 560.795 (1) (e), partnerships, limited liability companies, and tax-option
24 corporations may not claim the credit under this subsection, but the eligibility for,

1 and amount of, that credit shall be determined on the basis of their economic activity,
2 not that of their shareholders, partners, or members. The corporation, partnership,
3 or company shall compute the amount of the credit that may be claimed by each of
4 its shareholders, partners, or members and shall provide that information to each
5 of its shareholders, partners, or members. Partners, members of limited liability
6 companies, and shareholders of tax-option corporations may claim the credit based
7 on the partnership's, company's, or corporation's activities in proportion to their
8 ownership interest and may offset it against the tax attributable to their income from
9 all of the partnership's, company's, or corporation's business operations and against
10 the tax attributable to their income from the partnership's, company's, or
11 corporation's directly related business operations.”.

12 **13.** Page 1405, line 14: after that line insert:

13 “(11z) DEVELOPMENT ZONES CREDIT. The treatment of sections 71.07 (2di) (b) 1.
14 and 3. and (2dx) (b) (intro.), (be), and (bg), 71.28 (1di) (b) 1. and 3. and (1dx) (b)
15 (intro.), (be), and (bg), and 71.47 (1di) (b) 1. and 3. and (1dx) (b) (intro.), and (be) and
16 (bg) of the statutes first applies to taxable years beginning on January 1 of the year
17 in which this subsection takes effect, except that if this subsection takes effect after
18 July 31 the treatment of sections 71.07 (2di) (b) 1. and 3. and (2dx) (b) (intro.), (be),
19 and (bg), 71.28 (1di) (b) 1. and 3. and (1dx) (b) (intro.), and 71.47 (1di) (b) 1. and 3.
20 and (1dx) (b) (intro.), (be), and (bg) of the statutes first applies to taxable years
21 beginning on January 1 of the year following the year in which this subsection takes
22 effect.”.

23 (END)