



# State of Wisconsin

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STEPHEN R. MILLER  
CHIEF

February 23, 2006

## MEMORANDUM

**To:** Representative Nischke

**From:** Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263  
Christopher Sundberg, Legislative Attorney, (608) 266-9739

**Subject:** Technical Memorandum to **2005 AB-1055** (LRB 05-4688/1)

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

## MEMORANDUM

February 21, 2006

**TO:** Joseph Kreye  
Christopher Sundberg  
Legislative Reference Bureau

**FROM:** Rebecca Boldt  
Department of Revenue

**SUBJECT:** Technical Memorandum on AB 1055: Development Zone Credit for Insurer License Fees

It is unclear why the Department (DOR) is being given the authority to deny credits under section 76.636, since DOR does not administer the insurance premium taxes. DOR would be unable to exercise that authority.

When an insurer is certified for tax benefits, the Department of Commerce should specify if the credits are for use in offsetting the income and franchise tax administered by DOR or for offsetting the insurance premium fees administered by the Office of the Commissioner of Insurance (OCI). Many insurance companies file returns in both agencies.

The bill should provide a provision for sharing information between DOR and OCI about the tax credits claimed.

If you have any questions regarding this technical memorandum, please contact Pam Walgren at 266-7817.

cc: Rep. Nischke