AN ACT to amend 71.07 (2dx) (a) 5., 71.28 (1dx) (a) 5. and 71.47 (1dx) (a) 5. of the statutes; relating to: development zone tax credits for providing full-time jobs to veterans of the United States armed forces.

Analysis by the Legislative Reference Bureau

Under current law, a business that is located in an area designated by the federal government as an economic revitalization area may claim up to $8,000 in tax credits for each member of a targeted group that the business employs in a full-time job. Under current law, a member of a targeted group includes an economically disadvantaged veteran. Under this bill, a member of a targeted group also includes a person who has served under honorable conditions in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces for at least one year or, if the active duty service was less than one year, who was honorably discharged for a service-connected disability, for a disability subsequently adjudicated to be a service-connected disability, for reasons of hardship, or due to a reduction in the U.S. armed forces.

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:
SECTION 1. 71.07 (2dx) (a) 5. of the statutes is amended to read: 71.07 (2dx) (a) 5. “Member of a targeted group” means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a person who has served under honorable conditions in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces for at least one year or, if the active duty service was less than one year, who was honorably discharged for a service-connected disability, for a disability subsequently adjudicated to be a service-connected disability, for reasons of hardship, or due to a reduction in the U.S. armed forces, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under sub. (2dj) (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

SECTION 2. 71.28 (1dx) (a) 5. of the statutes is amended to read: 71.28 (1dx) (a) 5. “Member of a targeted group” means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), a person who
is eligible for child care assistance under s. 49.155, a person who is a vocational
rehabilitation referral, an economically disadvantaged youth, an economically
disadvantaged veteran, a person who has served under honorable conditions in the
U.S. armed forces or in forces incorporated as part of the U.S. armed forces for at least
one year or, if the active duty service was less than one year, who was honorably
discharged for a service-connected disability, for a disability subsequently
adjudicated to be a service-connected disability, for reasons of hardship, or due to a
reduction in the U.S. armed forces, a supplemental security income recipient, a
general assistance recipient, an economically disadvantaged ex-convict, a qualified
summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as
defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified
in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub.
(1dj) (am) 2.

**SECTION 3.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

> 71.47 (1dx) (a) 5. “Member of a targeted group” means a person who resides
in an area designated by the federal government as an economic revitalization area,
a person who is employed in an unsubsidized job but meets the eligibility
requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
a person who is employed in a trial job, as defined in s. 49.141 (1) (n), a person who
is eligible for child care assistance under s. 49.155, a person who is a vocational
rehabilitation referral, an economically disadvantaged youth, an economically
disadvantaged veteran, a person who has served under honorable conditions in the
U.S. armed forces or in forces incorporated as part of the U.S. armed forces for at least
one year or, if the active duty service was less than one year, who was honorably
discharged for a service-connected disability, for a disability subsequently
adjudicated to be a service-connected disability, for reasons of hardship, or due to a
reduction in the U.S. armed forces, a supplemental security income recipient, a
general assistance recipient, an economically disadvantaged ex-convict, a qualified
summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as
defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified
in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub.
(1dj) (am) 2.

SECTION 4. Initial applicability.

(1) This act 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 this act first applies to taxable years beginning on January 1 of the year
following the year in which this subsection takes effect.