

2009 DRAFTING REQUEST

Bill

Received: 02/04/2009

Received By: tkuczens

Wanted: As time permits

Identical to LRB:

For: Phil Garthwaite (608) 266-1170

By/Representing: Jon Wolkomir

This file may be shown to any legislator: NO

Drafter: tkuczens

May Contact:

Addl. Drafters: jkreye

Subject: Econ. Development - bus. dev.
Tax, Business - credits

Extra Copies:

Submit via email: YES

Requester's email: Rep.Garthwaite@legis.wisconsin.gov

Carbon copy (CC:) to: tracy.kuczenski@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Changes to economic development tax programs

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>
/?	tkuczens 02/05/2009	csicilia 02/10/2009		_____			S&L
/1			rschluet 02/10/2009	_____	cduerst 02/10/2009	lparisi 02/10/2009	

FE Sent For: "/1" @ intro. 3/3/09

<END>

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FE Sent For:

<END>

February 4, 2009

Jon W. (Rep. Gathwaite) X 61170

draft a companion bill to LRB-1136

- concerned that tax credit program may not apply if an in-state employer hires a person who is not a resident of WI.

→ Directed Jon to talk to Joe Kreise

- Note current law ss. 71.07 (2dj)(am)1., 71.28(1dj)(am)1., and 71.47(1dj)(am)1. require that a person who receives tax credits under the Development Zone Program (such. VI of ch. 560) requires that members of a targeted group be residents of this state
- This bill repeals the development zone program. The new tax credit program does not impose any residency requirements on ees of recipients of tax credits under the program.

2009 BILL

2/5/09

No changes

SAW

Repeal Car

1 AN ACT *to repeal* 49.149 (4), 234.63, 560.605 (2m) (g) and 560.605 (7) (e); *to*
2 *renumber* 71.30 (3) (em), 71.30 (3) (emb), 71.30 (3) (en), 71.30 (3) (eo), 71.30 (3)
3 (eom), 71.49 (1) (em), 71.49 (1) (emb), 71.49 (1) (en), 71.49 (1) (eo) and 71.49 (1)
4 (eom); *to renumber and amend* 560.70 (2m) and 560.7995 (4) (b); *to amend*
5 13.94 (4) (a) 1., 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.21 (4), 71.26 (2) (a) 4., 71.34
6 (1k) (g), 71.45 (2) (a) 10., 76.67 (2), 77.92 (4), 234.01 (4n) (a) 3m. e., 234.03 (2m),
7 234.03 (11), 234.08 (1), 234.265 (2), 234.40 (4), 234.50 (4), 234.60 (2), 234.61 (1),
8 560.70 (7) (a), 560.74 (1), 560.745 (1) (b), 560.745 (2) (am), 560.78 (3) (a), 560.785
9 (1) (intro.), 560.797 (2) (a) (intro.), 560.797 (2) (bg) (intro.), 560.797 (4) (a),
10 560.798 (2) (a), 560.798 (3) (a), 560.7995 (2) (a) (intro.), 560.84 (2) (c) 2., 560.96
11 (2) (a) and 560.96 (3) (a) (intro.); *to repeal and recreate* subchapter VI (title)
12 of chapter 560 [precedes s. 560.70]; and *to create* 13.94 (1) (ms), 71.07 (2dy),
13 71.10 (4) (gv), 71.28 (1dy), 71.30 (3) (ema), 71.47 (1dy), 71.49 (1) (ema), 76.637,
14 560.70 (2g), 560.70 (2m) (b), 560.70 (4m), 560.70 (7) (d), 560.701, 560.702,

BILL

1 560.703, 560.704, 560.705, 560.706, 560.71 (4), 560.737 (4), 560.74 (6), 560.78
2 (1m), 560.78 (3) (c), 560.797 (2) (e), 560.797 (3) (c), 560.797 (4) (h), 560.798 (2)
3 (c), 560.798 (3) (c), 560.7995 (2) (e), 560.7995 (4) (ar), 560.7995 (4) (b) 2., 560.96
4 (2) (c) and 560.96 (3) (e) of the statutes; **relating to:** changes to economic
5 development tax benefit programs, providing an exemption from emergency
6 rule procedures, and requiring the exercise of rule-making authority.

Analysis by the Legislative Reference Bureau***Consolidation of economic development zone programs***

Under current law, the Department of Commerce (Commerce) may designate a portion of the state as a development zone, a development opportunity zone, an enterprise development zone, an agricultural development zone, an enterprise zone, an airport development zone, or a technology zone. Commerce may also certify persons who agree to undertake certain eligible activities in one of the designated zones. Eligible activities include job creation, environmental remediation, and capital investment. Persons who obtain certification are then eligible for tax benefits.

This bill consolidates the development zones, enterprise development zones, agricultural development zones, technology zones, and airport development zones (five development zone programs) into a program that provides tax benefits to persons who enter into a contract with Commerce to undertake eligible activities anywhere in the state. Eligible activities under the bill include all of the following:

1. Job creation projects that result in the creation and maintenance of jobs paying wages and providing benefits at a level approved by Commerce.

2. Projects that involve a significant investment of capital, as defined by Commerce by rule, by the person in new equipment, machinery, real property, or depreciable personal property.

3. Projects that involve significant investments in the training or reeducation of employees, as defined by Commerce by rule, for the purpose of improving the productivity or competitiveness of the business of the person.

4. Projects that will result in the location or retention of a person's corporate headquarters in Wisconsin or that will result in the retention of employees if the person's corporate headquarters are located in Wisconsin.

Commerce may allocate tax benefits under the consolidated program up to the total amount remaining to be allocated under the five development zone programs on the effective date of this bill. Tax benefits are allocated under the bill only after the person has verified to Commerce that the person has met the performance obligations established under the contract.

BILL

The value of tax benefits for which a person is eligible under the new tax credit program depends on the number of jobs created by the person, the amount of the capital investment made by the person, the amount of training or reeducation provided to the employees of a person, or the number of jobs retained by the person having its corporate headquarters located in Wisconsin.

Under the bill, Commerce may award additional tax benefits to a person that conducts eligible activities in an economically distressed area or if the eligible activities benefit members of a target group. Commerce is required by the bill to develop a methodology for designating an area as an “economically distressed area.” The bill defines “member of a target group” as 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 certain eligibility requirements for a Wisconsin Works employment position, a person who is employed in a trial job or in a real work real pay project position, a person who is eligible for child care assistance, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex-convict, a dislocated worker, as defined under federal law, or a food stamp recipient, if the person has been certified by a designated local agency.

Audit by the Legislative Audit Bureau

The bill requires the Legislative Audit Bureau to prepare a financial and program evaluation audit of the consolidated economic development tax benefit program created by the bill no later than July 1, 2014.

For further information see the ***state and local*** 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.** 13.94 (1) (ms) of the statutes is created to read:

2 13.94 (1) (ms) No later than July 1, 2014, prepare a financial and performance
3 evaluation audit of the economic development tax benefit program under ss. 560.701
4 to 560.706. The legislative audit bureau shall file a copy of the report of the audit
5 under this paragraph with the distributees specified in par. (b).

6 **SECTION 2.** 13.94 (4) (a) 1. of the statutes is amended to read:

7 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
8 credentialing board, commission, independent agency, council or office in the

BILL**SECTION 2**

1 executive branch of state government; all bodies created by the legislature in the
2 legislative or judicial branch of state government; any public body corporate and
3 politic created by the legislature including specifically the Fox River Navigational
4 System Authority, the Lower Fox River Remediation Authority, and the Wisconsin
5 Aerospace Authority, a professional baseball park district, a local professional
6 football stadium district, a local cultural arts district and a long-term care district
7 under s. 46.2895; every Wisconsin works agency under subch. III of ch. 49; every
8 provider of medical assistance under subch. IV of ch. 49; technical college district
9 boards; ~~development zones designated under s. 560.71~~; every county department
10 under s. 51.42 or 51.437; every nonprofit corporation or cooperative or
11 unincorporated cooperative association to which moneys are specifically
12 appropriated by state law; and every corporation, institution, association or other
13 organization which receives more than 50% of its annual budget from appropriations
14 made by state law, including subgrantee or subcontractor recipients of such funds.

15 **SECTION 3.** 49.149 (4) of the statutes is repealed.

16 **SECTION 4.** 71.05 (6) (a) 15. of the statutes is amended to read:

17 71.05 **(6)** (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
18 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3s), (3t), (3w),
19 (5e), (5f), (5h), (5i), (5j), and (5k) and not passed through by a partnership, limited
20 liability company, or tax-option corporation that has added that amount to the
21 partnership's, company's, or tax-option corporation's income under s. 71.21 (4) or
22 71.34 (1k) (g).

23 **SECTION 5.** 71.07 (2dy) of the statutes is created to read:

BILL

1 71.07 (2dy) ECONOMIC DEVELOPMENT TAX CREDIT. (a) *Definition.* In this
2 subsection, “claimant” means a person who files a claim under this subsection and
3 is certified under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

4 (b) *Filing claims.* Subject to the limitations under this subsection and ss.
5 560.701 to 560.706, for taxable years beginning after December 31, 2008, a claimant
6 may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to the
7 amount of the tax, the amount authorized for the claimant under s. 560.703.

8 (c) *Limitations.* 1. No credit may be allowed under this subsection unless the
9 claimant includes with the claimant’s return a copy of the claimant’s certification
10 under s. 560.701 (2) and a copy of the claimant’s notice of eligibility to receive tax
11 benefits under s. 560.703 (3).

12 2. Partnerships, limited liability companies, and tax-option corporations may
13 not claim the credit under this subsection, but the eligibility for, and the amount of,
14 the credit are based on their authorization to claim tax benefits under s. 560.703.
15 A partnership, limited liability company, or tax-option corporation shall compute
16 the amount of credit that each of its partners, members, or shareholders may claim
17 and shall provide that information to each of them. Partners, members of limited
18 liability companies, and shareholders of tax-option corporations may claim the
19 credit in proportion to their ownership interests.

20 (d) *Administration.* 1. Except as provided in subd. 2., section 71.28 (4) (e) and
21 (f), as it applies to the credit under s. 71.28 (4), applies to the credit under this
22 subsection.

23 2. If a claimant’s certification is revoked under s. 560.705, or if a claimant
24 becomes ineligible for tax benefits under s. 560.702, the claimant may not claim
25 credits under this subsection for the taxable year that includes the day on which the

BILL**SECTION 5**

1 certification is revoked; the taxable year that includes the day on which the claimant
2 becomes ineligible for tax benefits; or succeeding taxable years and the claimant may
3 not carry over unused credits from previous years to offset the tax imposed under s.
4 71.02 or 71.08 for the taxable year that includes the day on which certification is
5 revoked; the taxable year that includes the day on which the claimant becomes
6 ineligible for tax benefits; or succeeding taxable years.

7 3. Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),
8 applies to the credit under this subsection.

9 **SECTION 6.** 71.08 (1) (intro.) of the statutes is amended to read:

10 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
11 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
12 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2dy), (2fd), (3m), (3n),
13 (3p), (3s), (3t), (3w), (5b), (5d), (5e), (5f), (6), (6e), and (9e), 71.28 (1dd), (1de), (1di),
14 (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m), (3), (3n), (3t), and (3w), and 71.47 (1dd),
15 (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m), (3), (3n), (3t), and (3w), and
16 subchs. VIII and IX and payments to other states under s. 71.07 (7), is less than the
17 tax under this section, there is imposed on that natural person, married couple filing
18 jointly, trust or estate, instead of the tax under s. 71.02, an alternative minimum tax
19 computed as follows:

20 **SECTION 7.** 71.10 (4) (gv) of the statutes is created to read:

21 71.10 (4) (gv) Economic development tax credit under s. 71.07 (2dy).

22 **SECTION 8.** 71.21 (4) of the statutes is amended to read:

23 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
24 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3s), (3t), (3w), (5e), (5f),

BILL

1 (5g), (5h), (5i), (5j), and (5k) and passed through to partners shall be added to the
2 partnership's income.

3 **SECTION 9.** 71.26 (2) (a) 4. of the statutes is amended to read:

4 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
5 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), ~~(1dy)~~, (3g), (3h), (3n), (3p), (3t), (3w), (5e),
6 (5f), (5g), (5h), (5i), (5j), and (5k) and not passed through by a partnership, limited
7 liability company, or tax-option corporation that has added that amount to the
8 partnership's, limited liability company's, or tax-option corporation's income under
9 s. 71.21 (4) or 71.34 (1k) (g).

10 **SECTION 10.** 71.28 (1dy) of the statutes is created to read:

11 71.28 (1dy) ECONOMIC DEVELOPMENT TAX CREDIT. (a) *Definition.* In this
12 subsection, "claimant" means a person who files a claim under this subsection and
13 is certified under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

14 (b) *Filing claims.* Subject to the limitations under this subsection and ss.
15 560.701 to 560.706, for taxable years beginning after December 31, 2008, a claimant
16 may claim as a credit against the tax imposed under s. 71.23, up to the amount of the
17 tax, the amount authorized for the claimant under s. 560.703.

18 (c) *Limitations.* 1. No credit may be allowed under this subsection unless the
19 claimant includes with the claimant's return a copy of the claimant's certification
20 under s. 560.701 (2) and a copy of the claimant's notice of eligibility to receive tax
21 benefits under s. 560.703 (3).

22 2. Partnerships, limited liability companies, and tax-option corporations may
23 not claim the credit under this subsection, but the eligibility for, and the amount of,
24 the credit are based on their authorization to claim tax benefits under s. 560.703.

25 A partnership, limited liability company, or tax-option corporation shall compute

BILL**SECTION 10**

1 the amount of credit that each of its partners, members, or shareholders may claim
2 and shall provide that information to each of them. Partners, members of limited
3 liability companies, and shareholders of tax-option corporations may claim the
4 credit in proportion to their ownership interests.

5 (d) *Administration.* 1. Except as provided in subd. 2., sub. (4) (e) and (f), as it
6 applies to the credit under sub. (4), applies to the credit under this subsection.

7 2. If a claimant's certification is revoked under s. 560.705, or if a claimant
8 becomes ineligible for tax benefits under s. 560.702, the claimant may not claim
9 credits under this subsection for the taxable year that includes the day on which the
10 certification is revoked; the taxable year that includes the day on which the claimant
11 becomes ineligible for tax benefits; or succeeding taxable years and the claimant may
12 not carry over unused credits from previous years to offset the tax imposed under s.
13 71.23 for the taxable year that includes the day on which certification is revoked; the
14 taxable year that includes the day on which the claimant becomes ineligible for tax
15 benefits; or succeeding taxable years.

16 3. Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies
17 to the credit under this subsection.

18 **SECTION 11.** 71.30 (3) (em) of the statutes is renumbered 71.30 (3) (eh).

19 **SECTION 12.** 71.30 (3) (ema) of the statutes is created to read:

20 71.30 (3) (ema) Economic development tax credit under s. 71.28 (1dy).

21 **SECTION 13.** 71.30 (3) (emb) of the statutes is renumbered 71.30 (3) (ei).

22 **SECTION 14.** 71.30 (3) (en) of the statutes is renumbered 71.30 (3) (ej).

23 **SECTION 15.** 71.30 (3) (eo) of the statutes is renumbered 71.30 (3) (ek).

24 **SECTION 16.** 71.30 (3) (eom) of the statutes is renumbered 71.30 (3) (eL).

25 **SECTION 17.** 71.34 (1k) (g) of the statutes is amended to read:

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1 71.34 **(1k)** (g) An addition shall be made for credits computed by a tax-option
2 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),
3 (3), (3g), (3h), (3n), (3p), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), and (5k) and passed
4 through to shareholders.

5 **SECTION 18.** 71.45 (2) (a) 10. of the statutes is amended to read:

6 71.45 **(2)** (a) 10. By adding to federal taxable income the amount of credit
7 computed under s. 71.47 (1dd) to ~~(1dx)~~ (1dy), (3h), (3n), (3p), (3w), (5e), (5f), (5g), (5h),
8 (5i), (5j), and (5k) and not passed through by a partnership, limited liability company,
9 or tax-option corporation that has added that amount to the partnership's, limited
10 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)
11 (g) and the amount of credit computed under s. 71.47 (1), (3), (3t), (4), and (5).

12 **SECTION 19.** 71.47 (1dy) of the statutes is created to read:

13 71.47 **(1dy)** ECONOMIC DEVELOPMENT TAX CREDIT. (a) *Definition.* In this
14 subsection, "claimant" means a person who files a claim under this subsection and
15 is certified under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

16 (b) *Filing claims.* Subject to the limitations under this subsection and ss.
17 560.701 to 560.706, for taxable years beginning after December 31, 2008, a claimant
18 may claim as a credit against the tax imposed under s. 71.43, up to the amount of the
19 tax, the amount authorized for the claimant under s. 560.703.

20 (c) *Limitations.* 1. No credit may be allowed under this subsection unless the
21 claimant includes with the claimant's return a copy of the claimant's certification
22 under s. 560.701 (2) and a copy of the claimant's notice of eligibility to receive tax
23 benefits under s. 560.703 (3).

24 2. Partnerships, limited liability companies, and tax-option corporations may
25 not claim the credit under this subsection, but the eligibility for, and the amount of,

BILL**SECTION 19**

1 the credit are based on their authorization to claim tax benefits under s. 560.703.

2 A partnership, limited liability company, or tax-option corporation shall compute
3 the amount of credit that each of its partners, members, or shareholders may claim
4 and shall provide that information to each of them. Partners, members of limited
5 liability companies, and shareholders of tax-option corporations may claim the
6 credit in proportion to their ownership interests.

7 (d) *Administration.* 1. Except as provided in subd. 2., sub. (4) (e) and (f), as it
8 applies to the credit under sub. (4), applies to the credit under this subsection.

9 2. If a claimant's certification is revoked under s. 560.705, or if a claimant
10 becomes ineligible for tax benefits under s. 560.702, the claimant may not claim
11 credits under this subsection for the taxable year that includes the day on which the
12 certification is revoked; the taxable year that includes the day on which the claimant
13 becomes ineligible for tax benefits; or succeeding taxable years and the claimant may
14 not carry over unused credits from previous years to offset the tax imposed under s.
15 71.43 for the taxable year that includes the day on which certification is revoked; the
16 taxable year that includes the day on which the claimant becomes ineligible for tax
17 benefits; or succeeding taxable years.

18 3. Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies
19 to the credit under this subsection.

20 **SECTION 20.** 71.49 (1) (em) of the statutes is renumbered 71.49 (1) (eh).

21 **SECTION 21.** 71.49 (1) (ema) of the statutes is created to read:

22 71.49 (1) (ema) Economic development tax credit under s. 71.47 (1dy).

23 **SECTION 22.** 71.49 (1) (emb) of the statutes is renumbered 71.49 (1) (ei).

24 **SECTION 23.** 71.49 (1) (en) of the statutes is renumbered 71.49 (1) (ej).

25 **SECTION 24.** 71.49 (1) (eo) of the statutes is renumbered 71.49 (1) (ek).

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1 **SECTION 25.** 71.49 (1) (eom) of the statutes is renumbered 71.49 (1) (eL).

2 **SECTION 26.** 76.637 of the statutes is created to read:

3 **76.637 Economic development tax credit. (1) DEFINITION.** In this section,
4 “claimant” means an insurer who files a claim under this section and is certified
5 under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

6 **(2) FILING CLAIMS.** Subject to the limitations under this section and ss. 560.701
7 to 560.706, for taxable years beginning after December 31, 2008, a claimant may
8 claim as a credit against the fees due under s. 76.60, 76.63, 76.65, 76.66, or 76.67 the
9 amount authorized for the claimant under s. 560.703.

10 **(3) LIMITATIONS.** No credit may be allowed under this section unless the insurer
11 includes with the insurer’s annual return under s. 76.64 a copy of the claimant’s
12 certification under s. 560.701 (2) and a copy of the claimant’s notice of eligibility to
13 receive tax benefits under s. 560.703 (3).

14 **(4) ADMINISTRATION.** If an insurer’s certification is revoked under s. 560.705,
15 or if an insurer becomes ineligible for tax benefits under s. 560.702, the insurer may
16 not claim credits under this section for the taxable year that includes the day on
17 which the certification is revoked; the taxable year that includes the day on which
18 the insurer becomes ineligible for tax benefits; or succeeding taxable years and the
19 insurer may not carry over unused credits from previous years to offset the fees
20 imposed under ss. 76.60, 76.63, 76.65, 76.66, or 76.67 for the taxable year that
21 includes the day on which certification is revoked; the taxable year that includes the
22 day on which the insurer becomes ineligible for tax benefits; or succeeding taxable
23 years.

24 **SECTION 27.** 76.67 (2) of the statutes is amended to read:

BILL**SECTION 27**

1 76.67 (2) If any domestic insurer is licensed to transact insurance business in
2 another state, this state may not require similar insurers domiciled in that other
3 state to pay taxes greater in the aggregate than the aggregate amount of taxes that
4 a domestic insurer is required to pay to that other state for the same year less the
5 credits under ss. 76.635, 76.636, 76.637, and 76.655, except that the amount imposed
6 shall not be less than the total of the amounts due under ss. 76.65 (2) and 601.93 and,
7 if the insurer is subject to s. 76.60, 0.375% of its gross premiums, as calculated under
8 s. 76.62, less offsets allowed under s. 646.51 (7) or under ss. 76.635, 76.636, 76.637,
9 and 76.655 against that total, and except that the amount imposed shall not be less
10 than the amount due under s. 601.93.

11 **SECTION 28.** 77.92 (4) of the statutes is amended to read:

12 77.92 (4) “Net business income,” with respect to a partnership, means taxable
13 income as calculated under section 703 of the Internal Revenue Code; plus the items
14 of income and gain under section 702 of the Internal Revenue Code, including taxable
15 state and municipal bond interest and excluding nontaxable interest income or
16 dividend income from federal government obligations; minus the items of loss and
17 deduction under section 702 of the Internal Revenue Code, except items that are not
18 deductible under s. 71.21; plus guaranteed payments to partners under section 707
19 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),
20 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3s), (3n), (3p), (3t), (3w),
21 (5e), (5f), (5g), (5h), (5i), (5j), and (5k); and plus or minus, as appropriate, transitional
22 adjustments, depreciation differences, and basis differences under s. 71.05 (13), (15),
23 (16), (17), and (19); but excluding income, gain, loss, and deductions from farming.
24 “Net business income,” with respect to a natural person, estate, or trust, means profit
25 from a trade or business for federal income tax purposes and includes net income

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1 derived as an employee as defined in section 3121 (d) (3) of the Internal Revenue
2 Code.

3 **SECTION 29.** 234.01 (4n) (a) 3m. e. of the statutes is amended to read:

4 234.01 **(4n)** (a) 3m. e. The facility is located in a targeted area, as determined
5 by the authority after considering the factors set out in s. 560.605 (2m) (c), 2005
6 stats., s. 560.605 (2m) (d), 2005 stats., s. 560.605 (2m) (e), 2005 stats., s. 560.605 (2m)
7 (g), 2007 stats., and s. 560.605 (2m) (a), (b), ~~and (f) to,~~ and (h).

8 **SECTION 30.** 234.03 (2m) of the statutes is amended to read:

9 234.03 **(2m)** To issue notes and bonds in accordance with ss. 234.08, 234.40,
10 234.50, 234.60, 234.61, 234.626, ~~234.63,~~ and 234.65.

11 **SECTION 31.** 234.03 (11) of the statutes is amended to read:

12 234.03 **(11)** To collect fees and charges on mortgage loans and economic
13 development loans and airport development loans under s. 234.63 (3), 2007 stats.,
14 for the purpose of paying all or a portion of authority costs as the authority
15 determines are reasonable and as approved by the authority.

16 **SECTION 32.** 234.08 (1) of the statutes is amended to read:

17 234.08 **(1)** The authority may issue its negotiable notes and bonds in such
18 principal amount, as, in the opinion of the authority, is necessary to provide sufficient
19 funds for achieving its corporate purposes, including the purchase of certain
20 mortgages and securities and the making of secured loans for low- and
21 moderate-income housing, for the rehabilitation of existing structures and for the
22 construction of facilities appurtenant thereto as provided in this chapter; for the
23 making of secured loans to assist eligible elderly homeowners in paying property
24 taxes and special assessments; for the payment of interest on notes and bonds of the
25 authority during construction; ~~for the awarding of airport development loans under~~

BILL**SECTION 32**

1 s. ~~234.63~~ (3); for the establishment of reserves to secure such notes and bonds; for the
2 provision of moneys for the housing development fund in order to make temporary
3 loans to sponsors of housing projects as provided in this chapter; and for all other
4 expenditures of the authority incident to and necessary or convenient to carry out its
5 corporate purposes and powers.

6 **SECTION 33.** 234.265 (2) of the statutes is amended to read:

7 234.265 (2) Records or portions of records consisting of personal or financial
8 information provided by a person seeking a grant or loan under s. 234.63, 2007 stats.,
9 or s. 234.04, 234.08, 234.49, 234.59, 234.61, ~~234.63~~, 234.65, 234.67, 234.83, 234.84,
10 234.90, 234.905, 234.907, or 234.91, seeking a loan under ss. 234.621 to 234.626,
11 seeking financial assistance under s. 234.66, 2005 stats., seeking investment of
12 funds under s. 234.03 (18m), or in which the authority has invested funds under s.
13 234.03 (18m), unless the person consents to disclosure of the information.

14 **SECTION 34.** 234.40 (4) of the statutes is amended to read:

15 234.40 (4) The limitations established in ss. 234.18, 234.50, 234.60, 234.61,
16 ~~234.63~~, and 234.65 are not applicable to bonds issued under the authority of this
17 section. The authority may not have outstanding at any one time bonds for veterans
18 housing loans in an aggregate principal amount exceeding \$61,945,000, excluding
19 bonds being issued to refund outstanding bonds.

20 **SECTION 35.** 234.50 (4) of the statutes is amended to read:

21 234.50 (4) The limitations established in ss. 234.18, 234.40, 234.60, 234.61,
22 ~~234.63~~, and 234.65 are not applicable to bonds issued under the authority of this
23 section. The authority may not have outstanding at any one time bonds for housing
24 rehabilitation loans in an aggregate principal amount exceeding \$100,000,000,
25 excluding bonds being issued to refund outstanding bonds. The authority shall

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1 consult with and coordinate the issuance of bonds with the building commission prior
2 to the issuance of bonds.

3 **SECTION 36.** 234.60 (2) of the statutes is amended to read:

4 234.60 (2) The limitations in ss. 234.18, 234.40, 234.50, 234.61, 234.63, and
5 234.65 do not apply to bonds or notes issued under this section.

6 **SECTION 37.** 234.61 (1) of the statutes is amended to read:

7 234.61 (1) Upon the authorization of the department of health services, the
8 authority may issue bonds or notes and make loans for the financing of housing
9 projects which are residential facilities as defined in s. 46.28 (1) (d) and the
10 development costs of those housing projects, if the department of health services has
11 approved the residential facilities for financing under s. 46.28 (2). The limitations
12 in ss. 234.18, 234.40, 234.50, 234.60, 234.63, and 234.65 do not apply to bonds or
13 notes issued under this section. The definition of “nonprofit corporation” in s. 234.01
14 (9) does not apply to this section.

15 **SECTION 38.** 234.63 of the statutes is repealed.

16 **SECTION 39.** 560.605 (2m) (g) of the statutes is repealed.

17 **SECTION 40.** 560.605 (7) (e) of the statutes is repealed.

18 **SECTION 41.** Subchapter VI (title) of chapter 560 [precedes s. 560.70] of the
19 statutes is repealed and recreated to read:

20 **CHAPTER 560**

21 **SUBCHAPTER VI**

22 **TAX INCENTIVES FOR BUSINESS**

23 **DEVELOPMENT IN WISCONSIN**

24 **SECTION 42.** 560.70 (2g) of the statutes is created to read:

25 560.70 (2g) “Eligible activity” means an activity described under s. 560.702.

BILL**SECTION 43**

1 **SECTION 43.** 560.70 (2m) of the statutes is renumbered 560.70 (2m) (a) and
2 amended to read:

3 560.70 **(2m)** (a) ~~“Full-time~~ Except as provided in par. (b). “full-time job” means
4 a regular, nonseasonal full-time position in which an individual, as a condition of
5 employment, is required to work at least 2,080 hours per year, including paid leave
6 and holidays, and for which the individual receives pay that is equal to at least 150%
7 of the federal minimum wage and benefits that are not required by federal or state
8 law. “Full-time job” does not include initial training before an employment position
9 begins.

10 **SECTION 44.** 560.70 (2m) (b) of the statutes is created to read:

11 560.70 **(2m)** (b) The department may by rule specify circumstances under
12 which the department may grant exceptions to the requirement under par. (a) that
13 a full-time job means a job in which an individual, as a condition of employment, is
14 required to work at least 2,080 hours per year, but under no circumstances may a
15 full-time job mean a job in which an individual, as a condition of employment, is
16 required to work less than 37.5 hours per week.

17 **SECTION 45.** 560.70 (4m) of the statutes is created to read:

18 560.70 **(4m)** “Member of a targeted group” means a person who resides in an
19 area designated by the federal government as an economic revitalization area, a
20 person who is employed in an unsubsidized job but meets the eligibility requirements
21 under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who
22 is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work, real pay
23 project position under s. 49.147 (3m), a person who is eligible for child care assistance
24 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
25 disadvantaged youth, an economically disadvantaged veteran, a supplemental

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1 security income recipient, a general assistance recipient, an economically
2 disadvantaged ex-convict, a dislocated worker, as defined in 29 USC 2801 (9), or a
3 food stamp recipient, if the person has been certified in the manner under 26 USC
4 51 (d) (13) (A) by a designated local agency, as defined in 26 USC 51 (d) (12).

5 **SECTION 46.** 560.70 (7) (a) of the statutes is amended to read:

6 560.70 (7) (a) Except as provided in pars. (b) and (c), and (d), “tax benefits”
7 means the development zones credit under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx),
8 and 76.636.

9 **SECTION 47.** 560.70 (7) (d) of the statutes is created to read:

10 560.70 (7) (d) In ss. 560.701 to 560.706, “tax benefits” means the economic
11 development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637.

12 **SECTION 48.** 560.701 of the statutes is created to read:

13 **560.701 Certification for tax benefits. (1) APPLICATION.** Any person may
14 apply to the department on a form prepared by the department for certification under
15 this section. The application shall include all of the following:

16 (a) The name and address of the person.

17 (b) The federal tax identification number of the person.

18 (c) The names and addresses of the locations where the person conducts
19 business and a description of the business activities conducted at those locations.

20 (d) A description of each eligible activity conducted or proposed to be conducted
21 by the person.

22 (e) Other information required by the department or the department of
23 revenue.

24 **(2) CERTIFICATION.** (a) The department may certify a person who submits an
25 application under sub. (1) if, after conducting an investigation, the department

BILL**SECTION 48**

1 determines that the person is conducting or intends to conduct at least one eligible
2 activity.

3 (b) The department shall provide a person certified under this section and the
4 department of revenue with a copy of the certification.

5 **(3) CONTRACT.** A person certified under this section shall enter into a written
6 contract with the department. The contract shall include provisions that detail all
7 of the following:

8 (a) A description of each eligible activity being conducted or proposed to be
9 conducted by the person.

10 (b) Whether any of the eligible activities will occur in an economically
11 distressed area, as designated by the department under s. 560.704 (1).

12 (c) Whether any of the eligible activities will benefit members of a targeted
13 group, as determined by the department under s. 560.704 (2).

14 (d) A compliance schedule that includes a sequence of anticipated actions to be
15 taken or goals to be achieved by the person before the person may receive tax benefits
16 under s. 560.703.

17 (e) The reporting requirements with which the person must comply.

18 (f) If feasible, a determination of the tax benefits the person will be authorized
19 to claim under s. 560.703 (2) if the person fulfills the terms of the contract.

20 **SECTION 49.** 560.702 of the statutes is created to read:

21 **560.702 Eligible activities.** A person who conducts or proposes to conduct
22 any of the following may be certified under s. 560.701 (2):

23 **(1) JOB CREATION PROJECT.** A project that creates and maintains for a period of
24 time established by the department by rule full-time jobs in addition to any existing
25 full-time jobs provided by the person.

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1 **(2) CAPITAL INVESTMENT PROJECT.** A project that involves a significant
2 investment of capital, as defined by the department by rule under s. 560.706 (2) (b),
3 by the person in new equipment, machinery, real property, or depreciable personal
4 property.

5 **(3) EMPLOYEE TRAINING PROJECT.** A project that involves significant investments
6 in the training or reeducation of employees, as defined by the department by rule
7 under s. 560.706 (2) (c), by the person for the purpose of improving the productivity
8 or competitiveness of the business of the person.

9 **(4) PROJECT RELATED TO PERSONS WITH CORPORATE HEADQUARTERS IN WISCONSIN.**
10 A project that will result in the location or retention of a person's corporate
11 headquarters in Wisconsin or that will result in the retention of employees holding
12 full-time jobs in Wisconsin if the person's corporate headquarters are located in
13 Wisconsin.

14 **SECTION 50.** 560.703 of the statutes is created to read:

15 **560.703 Limits on tax benefits and claiming tax benefits. (1) LIMITS.** (a)
16 Except as provided in par. (b), the total tax benefits available to be allocated by the
17 department under ss. 560.701 to 560.706 may not exceed the sum of the tax benefits
18 remaining to be allocated under ss. 560.71 to 560.785, 560.797, 560.798, 560.7995,
19 and 560.96 on the effective date of this paragraph [LRB inserts date].

20 (b) The department may submit to the joint committee on finance a request in
21 writing to exceed the total tax benefits specified in par. (a). The department shall
22 submit with its request a justification for seeking an increase under this paragraph.
23 The joint committee on finance, following its review, may approve or disapprove an
24 increase in the total tax benefits available to be allocated under ss. 560.701 to
25 560.706.

BILL**SECTION 50**

1 **(2) AUTHORITY TO CLAIM TAX BENEFITS.** The department may authorize a person
2 certified under s. 560.701 (2) to claim tax benefits only after the person has submitted
3 a report to the department that documents to the satisfaction of the department that
4 the person has complied with the terms of the contract under s. 560.701 (3) and the
5 requirements of any applicable rules promulgated under s. 560.706 (2).

6 **(3) NOTICE OF ELIGIBILITY.** The department shall provide to the person and to
7 the department of revenue a notice of eligibility to receive tax benefits that reports
8 the amount of tax benefits for which the person is eligible.

9 **SECTION 51.** 560.704 of the statutes is created to read:

10 **560.704 Eligible activities in economically distressed areas and**
11 **benefiting members of targeted groups.** The department may authorize a
12 person certified under s. 560.701 (2) to claim additional tax benefits under s. 560.703
13 if, after conducting an investigation, the department determines any of the
14 following:

15 **(1)** The person conducts at least one eligible activity in an area designated by
16 the department as economically distressed. In designating an area as economically
17 distressed under this subsection, the department shall follow the methodology
18 established by rule under s. 560.706 (2) (e).

19 **(2)** The person conducts at least one eligible activity that benefits, creates,
20 retains, or significantly upgrades full-time jobs for, that trains, or that reeducates,
21 members of a targeted group.

22 **SECTION 52.** 560.705 of the statutes is created to read:

23 **560.705 Revocation of certification.** The department shall revoke the
24 certification of a person who does any of the following:

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1 (1) Supplies false or misleading information to obtain certification under s.
2 560.701 (2).

3 (2) Supplies false or misleading information to obtain tax benefits under s.
4 560.703.

5 (3) Leaves the state to conduct substantially the same business outside of the
6 state.

7 (4) Ceases operations in the state and does not renew operation of the business
8 or a similar business within 12 months.

9 **SECTION 53.** 560.706 of the statutes is created to read:

10 **560.706 Responsibilities of the department.** The department shall do all
11 of the following:

12 (1) **ACCOUNTABILITY.** (a) Annually verify information submitted to the
13 department of revenue under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by
14 persons certified under s. 560.701 (2) and eligible to receive tax benefits under s.
15 560.703.

16 (b) Notify and obtain written approval from the secretary for any certification
17 under sub. (2) (h).

18 (2) **RULES.** Establish by rule all of the following:

19 (a) A schedule of hourly wage ranges to be paid, and health insurance benefits
20 to be provided, to an employee by a person certified under s. 560.701 (2) and the
21 corresponding per employee tax benefit for which a person certified under s. 560.701
22 (2) may be eligible.

23 (b) A definition of “significant investment of capital” for purposes of s. 560.702
24 (2), together with a corresponding schedule of tax benefits for which a person who is
25 certified under s. 560.701 (2) and who conducts a project described in s. 560.702 (2)

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1 may be eligible. The department shall include in the definition required under this
2 paragraph a schedule of investments that takes into consideration the size or nature
3 of the business.

4 (c) A definition of "significant investments in the training or reeducation of
5 employees" for purposes of s. 560.702 (3), together with a corresponding schedule of
6 tax benefits for which a person who is certified under s. 560.701 (2) and who conducts
7 a project under s. 560.702 (3) may be eligible.

8 (d) A schedule of tax benefits for which a person who is certified under s.
9 560.701 (2) and who conducts a project that will result in the location or retention
10 of a person's corporate headquarters in Wisconsin may be eligible.

11 (e) The methodology for designating an area as economically distressed under
12 s. 560.704 (1). The methodology under this paragraph shall require the department
13 to consider the most current data available for the area and for the state on the
14 following indicators:

- 15 1. Unemployment rate.
- 16 2. Percentage of families with incomes below the poverty line established under
17 42 USC 9902 (2).
- 18 3. Median family income.
- 19 4. Median per capita income.
- 20 5. Average annual wage.
- 21 6. Real property values.
- 22 7. Other significant or irregular indicators of economic distress, such as a
23 natural disaster.

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1 (f) A schedule of additional tax benefits for which a person who is certified
2 under s. 560.701 (2) and who conducts an eligible activity described under s. 560.704
3 may be eligible.

4 (g) Reporting requirements for minimum goals to be achieved by, and outcomes
5 expected of a person certified under s. 560.701 (2) before that person may receive tax
6 benefits under s. 560.703.

7 (h) Policies and criteria for certifying a person who may be eligible for tax
8 benefits greater than or equal to \$3,000,000.

9 (i) Procedures for implementing ss. 560.701 to 560.706.

10 **(3) REPORTING.** Annually, 6 months after the report has been submitted under
11 s. 560.01 (2) (am), submit to the joint legislative audit committee and to the
12 appropriate standing committees of the legislature under s. 13.172 (3) a
13 comprehensive report assessing the program under ss. 560.701 to 560.706. The
14 report under this subsection shall update the applicable information provided in the
15 report under s. 560.01 (2) (am). The department shall make readily accessible to the
16 public on an Internet-based system the information required under this subsection.

17 **SECTION 54.** 560.71 (4) of the statutes is created to read:

18 560.71 **(4)** No development zone may be designated under this section after the
19 effective date of this subsection [LRB inserts date].

20 **SECTION 55.** 560.737 (4) of the statutes is created to read:

21 560.737 **(4)** No premises of a business incubator may be designated as part of
22 a development zone under this section after the effective date of this subsection
23 [LRB inserts date].

24 **SECTION 56.** 560.74 (1) of the statutes is amended to read:

BILL**SECTION 56**

1 560.74 (1) ~~At~~ Except as provided under sub. (6), at any time after a
2 development zone is designated by the department, a local governing body may
3 submit an application to change the boundaries of the development zone. If the
4 boundary change reduces the size of a development zone, the local governing body
5 shall explain why the area excluded should no longer be in a development zone. The
6 department may require the local governing body to submit additional information.

7 **SECTION 57.** 560.74 (6) of the statutes is created to read:

8 560.74 (6) The department may not accept any applications under sub. (1) to
9 change the boundaries of a development zone designated under s. 560.71 on or after
10 the effective date of this subsection [LRB inserts date].

11 **SECTION 58.** 560.745 (1) (b) of the statutes is amended to read:

12 560.745 (1) (b) The local governing body may apply to the department for one
13 60-month extension of the designation. The department shall promulgate rules
14 establishing criteria for approving an extension of a designation of an area as a
15 development zone under this subsection. No applications may be accepted by the
16 department under this paragraph on or after the effective date of this paragraph
17 [LRB inserts date].

18 **SECTION 59.** 560.745 (2) (am) of the statutes is amended to read:

19 560.745 (2) (am) Notwithstanding par. (a), the department may increase the
20 established limit for tax benefits for a development zone. The department may not
21 increase the limit for tax benefits established for any development zone designated
22 under s. 560.71 on or after the effective date of this paragraph [LRB inserts date].

23 **SECTION 60.** 560.78 (1m) of the statutes is created to read:

24 560.78 (1m) No person may be certified under s. 560.765 (3) on or after the
25 effective date of this subsection [LRB inserts date].

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1 **SECTION 61.** 560.78 (3) (a) of the statutes is amended to read:

2 560.78 (3) (a) Except as provided in ~~par. (b) and (c)~~, if the economic activity
3 for which a person is seeking certification under s. 560.765 (3) is the relocation of a
4 business into a development zone from a location that is outside the development
5 zone but within the limits of a city, village, town or federally recognized American
6 Indian reservation in which that development zone is located, the local governing
7 body that nominated that area as a development zone under s. 560.72 shall
8 determine whether sub. (2) (a) or (b) applies.

9 **SECTION 62.** 560.78 (3) (c) of the statutes is created to read:

10 560.78 (3) (c) No local governing body may make any determination under this
11 subsection on or after the effective date of this paragraph [LRB inserts date].

12 **SECTION 63.** 560.785 (1) (intro.) of the statutes is amended to read:

13 560.785 (1) (intro.) For the development zone program under ss. 560.70 and
14 560.71 to 560.78, the development opportunity zone program under s. 560.795 and
15 the enterprise development zone program under s. 560.797, the department shall
16 promulgate rules that further define a person's eligibility for tax benefits. The rules
17 shall do at least all of the following:

18 **SECTION 64.** 560.797 (2) (a) (intro.) of the statutes is amended to read:

19 560.797 (2) (a) (intro.) Subject to pars. (c) and, (d), and (e), the department may
20 designate an area as an enterprise development zone for a project if the department
21 determines all of the following:

22 **SECTION 65.** 560.797 (2) (bg) (intro.) of the statutes is amended to read:

23 560.797 (2) (bg) (intro.) Notwithstanding par. (a) and subject to pars. (c) and,
24 (d), and (e), the department may designate an area as an enterprise development
25 zone for a project if the department determines all of the following:

BILL**SECTION 66**

1 **SECTION 66.** 560.797 (2) (e) of the statutes is created to read:

2 560.797 (2) (e) The department may not designate any area as an enterprise
3 development zone on or after the effective date of this paragraph [LRB inserts
4 date].

5 **SECTION 67.** 560.797 (3) (c) of the statutes is created to read:

6 560.797 (3) (c) The department may not accept or approve any applications or
7 project plans submitted under par. (a) on or after the effective date of this paragraph
8 [LRB inserts date].

9 **SECTION 68.** 560.797 (4) (a) of the statutes is amended to read:

10 560.797 (4) (a) If Except as provided in par. (h), if the department approves a
11 project plan under sub. (3) and designates the area in which the person submitting
12 the project plan conducts or intends to conduct the project as an enterprise
13 development zone under the criteria under sub. (2), the department shall certify the
14 person as eligible for tax benefits.

15 **SECTION 69.** 560.797 (4) (h) of the statutes is created to read:

16 560.797 (4) (h) No person may be certified under this subsection on or after the
17 effective date of this paragraph [LRB inserts date].

18 **SECTION 70.** 560.798 (2) (a) of the statutes is amended to read:

19 560.798 (2) (a) The Except as provided under par. (c), the department may
20 designate one area in the state as an agricultural development zone. The area must
21 be located in a rural municipality. An agricultural business that is located in an
22 agricultural development zone and that is certified by the department under sub. (3)
23 is eligible for tax benefits as provided in sub. (3).

24 **SECTION 71.** 560.798 (2) (c) of the statutes is created to read:

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1 560.798 (2) (c) No area may be designated as an agricultural development zone
2 on or after the effective date of this paragraph [LRB inserts date].

3 **SECTION 72.** 560.798 (3) (a) of the statutes is amended to read:

4 560.798 (3) (a) The Except as provided under par. (c), the department may
5 certify for tax benefits in an agricultural development zone a new or expanding
6 agricultural business that is located in the agricultural development zone. In
7 determining whether to certify a business under this subsection, the department
8 shall consider, among other things, the number of jobs that will be created or retained
9 by the business.

10 **SECTION 73.** 560.798 (3) (c) of the statutes is created to read:

11 560.798 (3) (c) No business may be certified under this subsection on or after
12 the effective date of this paragraph [LRB inserts date].

13 **SECTION 74.** 560.7995 (2) (a) (intro.) of the statutes is amended to read:

14 560.7995 (2) (a) (intro.) Subject to ~~par.~~ pars. (c) and (e), the department may
15 designate an area as an airport development zone if the department determines all
16 of the following:

17 **SECTION 75.** 560.7995 (2) (e) of the statutes is created to read:

18 560.7995 (2) (e) No area may be designated as an airport development zone
19 under this subsection on or after the effective date of this paragraph [LRB inserts
20 date].

21 **SECTION 76.** 560.7995 (4) (ar) of the statutes is created to read:

22 560.7995 (4) (ar) The department may not accept or approve any applications
23 or business plans submitted under par. (a) or (am) on or after the effective date of this
24 paragraph [LRB inserts date].

BILL**SECTION 77**

1 **SECTION 77.** 560.7995 (4) (b) of the statutes is renumbered 560.7995 (4) (b) 1.
2 and amended to read:

3 560.7995 (4) (b) 1. If Except as provided in subd. 2., if the department approves
4 a business plan under par. (a) or (am), the department shall certify the person as
5 eligible for tax benefits. The department shall notify the department of revenue
6 within 30 days of certifying a person under this paragraph.

7 **SECTION 78.** 560.7995 (4) (b) 2. of the statutes is created to read:

8 560.7995 (4) (b) 2. No person may be certified under this paragraph on or after
9 the effective date of this subdivision [LRB inserts date].

10 **SECTION 79.** 560.84 (2) (c) 2. of the statutes is amended to read:

11 560.84 (2) (c) 2. ~~A development zone designated under s. 560.71, a development~~
12 ~~opportunity zone designated under s. 560.795 or an enterprise development zone~~
13 ~~designated under s. 560.797.~~

14 **SECTION 80.** 560.96 (2) (a) of the statutes is amended to read:

15 560.96 (2) (a) The Except as provided in par. (c), the department may designate
16 up to 8 areas in the state as technology zones. A business that is located in a
17 technology zone and that is certified by the department under sub. (3) is eligible for
18 a tax credit as provided in sub. (3).

19 **SECTION 81.** 560.96 (2) (c) of the statutes is created to read:

20 560.96 (2) (c) No area may be designated as a technology zone under this
21 subsection on or after the effective date of this paragraph [LRB inserts date].

22 **SECTION 82.** 560.96 (3) (a) (intro.) of the statutes is amended to read:

23 560.96 (3) (a) (intro.) The Except as provided in par. (e), the department may
24 certify for tax credits in a technology zone a business that satisfies all of the following
25 requirements:

Duerst, Christina

From: Wolkomir, Jon
Sent: Tuesday, February 10, 2009 11:11 AM
To: LRB.Legal
Subject: Draft Review: LRB 09-1987/1 Topic: Changes to economic development tax programs

Please Jacket LRB 09-1987/1 for the ASSEMBLY.