

2009 DRAFTING REQUEST

Bill

Received: **02/04/2009**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Miner**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Business - credits**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Miner, BAB -

Topic:

Dairy cooperative investment tax credit

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>
/?	jkreye 02/04/2009	jdye 02/04/2009		_____			State
/P1			mduchek 02/04/2009	_____	cduerst 02/04/2009		

FE Sent For:

<END>

2009 DRAFTING REQUEST

Bill

Received: **02/04/2009**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Miner**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Business - credits**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Miner, BAB -

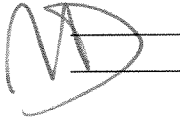
Topic:

Dairy cooperative investment tax credit

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>
/?	jkreye	PI 2/4 JLD					

FE Sent For:

2/4 <END>

1947/P1

LPS-request sheet already fixed

stays

2 BAB

DOA:.....Miner, BB0261 - Dairy cooperative investment tax credit

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

in 2-4-09

✓

don't gen

1 AN ACT ...; relating to: the budget. ✓

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Under current law, a person may claim a credit against the person's income or franchise tax liability that is equal to 10 percent of the amount that the person paid in the taxable year for dairy manufacturing modernization or expansion related to the claimant's dairy manufacturing operation. If the amount of the credit exceeds the amount of the person's tax liability, the person receives a refund. Under current law, dairy cooperatives are, generally, not subject to state income or franchise taxes and, therefore, are not eligible to claim the credit for dairy manufacturing modernization or expansion.

This bill allows the members of a dairy cooperative to claim the credit for the dairy manufacturing modernization or expansion expenses paid by the cooperative. The dairy cooperative determines the amount of the credit that each member may claim, based on the amount of milk each member delivers to the cooperative.

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

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

1 **SECTION 1.** 20.835 (2) (bn) of the statutes is amended to read:

2 20.835 (2) (bn) *Dairy manufacturing facility investment credit.* The amounts
3 in the schedule to make the payments under ss. 71.07 (3p) (d) 2., 71.28 (3p) (d) 2., and
4 71.47 (3p) (d) 2.

5 **SECTION 2.** 20.835 (2) (bp) of the statutes is created to read:

6 20.835 (2) (bp) *Dairy manufacturing facility investment credit; dairy*
7 *cooperatives.* A sum sufficient to make the payments under ss. 71.07 (3p) (d) 3., 71.28
8 (3p) (d) 3., and 71.47 (3p) (d) 3.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9 **SECTION 3.** 71.07 (3p) (a) 1m. of the statutes is created to read:

10 71.07 (3p) (a) 1m. “Dairy cooperative” means a business organized under ch.
11 185 or 193 for the purpose of obtaining or processing milk.

12 **SECTION 4.** 71.07 (3p) (a) 3. (intro.) of the statutes is amended to read:

13 71.07 (3p) (a) 3. (intro.) “Dairy manufacturing modernization or expansion”
14 means constructing, improving, or acquiring buildings or facilities, or acquiring
15 equipment, for dairy manufacturing, including the following, if used exclusively for
16 dairy manufacturing and if acquired and placed in service in this state during
17 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
18 the case of dairy cooperatives, if acquired and placed in service in this state during
19 taxable years that begin after December 31, 2008, and before January 1, 2017:

20 **SECTION 5.** 71.07 (3p) (b) of the statutes is amended to read:

21 71.07 (3p) (b) *Filing claims.* Subject to the limitations provided in this
22 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
23 beginning after December 31, 2006, and before January 1, 2015, a claimant may

1 claim as a credit against the taxes imposed under s. 71.02 or 71.08, up to the amount
2 of the tax, an amount equal to 10 percent of the amount the claimant paid in the
3 taxable year for dairy manufacturing modernization or expansion related to the
4 claimant's dairy manufacturing operation.

5 **SECTION 6.** 71.07 (3p) (c) 2m. b. of the statutes is amended to read:

6 71.07 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
7 by all claimants, other than members of dairy cooperatives, under this subsection
8 and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2008–09, and in each fiscal year
9 thereafter, is \$700,000, as allocated under s. 560.207.

10 **SECTION 7.** 71.07 (3p) (c) 2m. bm. of the statutes is created to read:

11 71.07 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
12 by members of dairy cooperatives under this subsection and ss. 71.28 (3p) and 71.47
13 (3p) in fiscal year 2009–10 is \$600,000, as allocated under s. 560.207, and the
14 maximum amount of the credits that may be claimed by members of dairy
15 cooperatives under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year
16 2010–11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
17 560.207.

18 **SECTION 8.** 71.07 (3p) (c) 3. of the statutes is amended to read:

19 71.07 (3p) (c) 3. Partnerships, limited liability companies, and tax-option
20 corporations, and dairy cooperatives may not claim the credit under this subsection,
21 but the eligibility for, and the amount of, the credit are based on their payment of
22 expenses under par. (b), except that the aggregate amount of credits that the entity
23 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
24 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
25 dairy cooperative shall compute the amount of credit that each of its partners,

1 members, or shareholders may claim and shall provide that information to each of
2 them. Partners, members of limited liability companies, and shareholders of
3 tax-option corporations may claim the credit in proportion to their ownership
4 interest. Members of a dairy cooperative may claim the credit in proportion to the
5 amount of milk that each member delivers to the dairy cooperative, as determined
6 by the dairy cooperative.

7 **SECTION 9.** 71.07 (3p) (c) 5. of the statutes is created to read:

8 71.07 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
9 the credit, based on amounts described under par. (b) that are paid by the dairy
10 cooperative, for taxable years beginning after December 31, 2008, and before
11 January 1, 2017.

12 **SECTION 10.** 71.07 (3p) (c) 6. of the statutes is created to read:

13 71.07 (3p) (c) 6. No credit may be allowed under this subsection unless the
14 claimant submits with the claimant's return a copy of the claimant's credit
15 certification and allocation under s. 560.207.

16 **SECTION 11.** 71.07 (3p) (d) 2. of the statutes is amended to read:

17 71.07 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
18 the claim under par. (b) exceeds the tax otherwise due under s. 71.02 or 71.08 ~~or no~~
19 ~~tax is due under s. 71.02 or 71.08,~~ the amount of the claim not used to offset the tax
20 due shall be certified by the department of revenue to the department of
21 administration for payment by check, share draft, or other draft drawn from the
22 appropriation account under s. 20.835 (2) (bn).

23 **SECTION 12.** 71.07 (3p) (d) 3. of the statutes is created to read:

24 71.07 (3p) (d) 3. With regard to claims that are based on amounts described
25 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the

1 claim under par. (b) exceeds the tax otherwise due under s. 71.02 or 71.08, the
2 amount of the claim not used to offset the tax due shall be certified by the department
3 of revenue to the department of administration for payment by check, share draft,
4 or other draft drawn from the appropriation account under s. 20.835 (2) (bp).

5 **SECTION 13.** 71.28 (3p) (a) 1m. of the statutes is created to read:

6 71.28 (3p) (a) 1m. “Dairy cooperative” means a business organized under ch.
7 185 or 193 for the purpose of obtaining or processing milk.

8 **SECTION 14.** 71.28 (3p) (a) 3. (intro.) of the statutes is amended to read:

9 71.28 (3p) (a) 3. (intro.) “Dairy manufacturing modernization or expansion”
10 means constructing, improving, or acquiring buildings or facilities, or acquiring
11 equipment, for dairy manufacturing, including the following, if used exclusively for
12 dairy manufacturing and if acquired and placed in service in this state during
13 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
14 the case of dairy cooperatives, if acquired and placed in service in this state during
15 taxable years that begin after December 31, 2008, and before January 1, 2017:

16 **SECTION 15.** 71.28 (3p) (b) of the statutes is amended to read:

17 71.28 (3p) (b) *Filing claims.* Subject to the limitations provided in this
18 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
19 beginning after December 31, 2006, and before January 1, 2015, a claimant may
20 claim as a credit against the taxes imposed under s. 71.23, up to the amount of the
21 tax, an amount equal to 10 percent of the amount the claimant paid in the taxable
22 year for dairy manufacturing modernization or expansion related to the claimant’s
23 dairy manufacturing operation.

24 **SECTION 16.** 71.28 (3p) (c) 2m. b. of the statutes is amended to read:

1 71.28 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
2 by all claimants, other than members of dairy cooperatives, under this subsection
3 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008–09, and in each fiscal year
4 thereafter, is \$700,000, as allocated under s. 560.207.

5 **SECTION 17.** 71.28 (3p) (c) 2m. bm. of the statutes is created to read:

6 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
7 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
8 (3p) in fiscal year 2009–10 is \$600,000, as allocated under s. 560.207, and the
9 maximum amount of the credits that may be claimed by members of dairy
10 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year
11 2010–11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
12 560.207.

13 **SECTION 18.** 71.28 (3p) (c) 3. of the statutes is amended to read:

14 71.28 (3p) (c) 3. Partnerships, limited liability companies, and tax–option
15 corporations, and dairy cooperatives may not claim the credit under this subsection,
16 but the eligibility for, and the amount of, the credit are based on their payment of
17 expenses under par. (b), except that the aggregate amount of credits that the entity
18 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
19 facilities. A partnership, limited liability company, or tax–option corporation, or
20 dairy cooperative shall compute the amount of credit that each of its partners,
21 members, or shareholders may claim and shall provide that information to each of
22 them. Partners, members of limited liability companies, and shareholders of
23 tax–option corporations may claim the credit in proportion to their ownership
24 interest. Members of a dairy cooperative may claim the credit in proportion to the

1 amount of milk that each member delivers to the dairy cooperative, as determined
2 by the dairy cooperative.

3 **SECTION 19.** 71.28 (3p) (c) 5. of the statutes is created to read:

4 71.28 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
5 the credit, based on amounts described under par. (b) that are paid by the dairy
6 cooperative, for taxable years beginning after December 31, 2008, and before
7 January 1, 2017.

8 **SECTION 20.** 71.28 (3p) (c) 6. of the statutes is created to read:

9 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
10 claimant submits with the claimant's return a copy of the claimant's credit
11 certification and allocation under s. 560.207.

12 **SECTION 21.** 71.28 (3p) (d) 2. of the statutes is amended to read:

13 71.28 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
14 the claim under par. (b) exceeds the tax otherwise due under s. 71.23 ~~or no tax is due~~
15 ~~under s. 71.23~~, the amount of the claim not used to offset the tax due shall be certified
16 by the department of revenue to the department of administration for payment by
17 check, share draft, or other draft drawn from the appropriation account under s.
18 20.835 (2) (bn).

19 **SECTION 22.** 71.28 (3p) (d) 3. of the statutes is created to read:

20 71.28 (3p) (d) 3. With regard to claims that are based on amounts described
21 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
22 claim under par. (b) exceeds the tax otherwise due under s. 71.23, the amount of the
23 claim not used to offset the tax due shall be certified by the department of revenue
24 to the department of administration for payment by check, share draft, or other draft
25 drawn from the appropriation account under s. 20.835 (2) (bp).

1 **SECTION 23.** 71.47 (3p) (a) 1m. of the statutes is created to read:

2 71.47 (3p) (a) 1m. “Dairy cooperative” means a business organized under ch.
3 185 or 193 for the purpose of obtaining or processing milk.

4 **SECTION 24.** 71.47 (3p) (a) 3. (intro.) of the statutes is amended to read:

5 71.47 (3p) (a) 3. (intro.) “Dairy manufacturing modernization or expansion”
6 means constructing, improving, or acquiring buildings or facilities, or acquiring
7 equipment, for dairy manufacturing, including the following, if used exclusively for
8 dairy manufacturing and if acquired and placed in service in this state during
9 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
10 the case of dairy cooperatives, if acquired and placed in service in this state during
11 taxable years that begin after December 31, 2008, and before January 1, 2017:

12 **SECTION 25.** 71.47 (3p) (b) of the statutes is amended to read:

13 71.47 (3p) (b) *Filing claims.* Subject to the limitations provided in this
14 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
15 beginning after December 31, 2006, and before January 1, 2015, a claimant may
16 claim as a credit against the taxes imposed under s. 71.43, up to the amount of the
17 tax, an amount equal to 10 percent of the amount the claimant paid in the taxable
18 year for dairy manufacturing modernization or expansion related to the claimant’s
19 dairy manufacturing operation.

20 **SECTION 26.** 71.47 (3p) (c) 2m. b. of the statutes is amended to read:

21 71.47 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
22 by all claimants, other than members of dairy cooperatives, under this subsection
23 and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2008–09, and in each fiscal year
24 thereafter, is \$700,000, as allocated under s. 560.207.

25 **SECTION 27.** 71.47 (3p) (c) 2m. bm. of the statutes is created to read:

1 71.47 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
2 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.28
3 (3p) in fiscal year 2009–10 is \$600,000, as allocated under s. 560.207, and the
4 maximum amount of the credits that may be claimed by members of dairy
5 cooperatives under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year
6 2010–11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
7 560.207.

8 **SECTION 28.** 71.47 (3p) (c) 3. of the statutes is amended to read:

9 71.47 (3p) (c) 3. Partnerships, limited liability companies, ~~and~~ tax-option
10 corporations, and dairy cooperatives may not claim the credit under this subsection,
11 but the eligibility for, and the amount of, the credit are based on their payment of
12 expenses under par. (b), except that the aggregate amount of credits that the entity
13 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
14 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
15 dairy cooperative shall compute the amount of credit that each of its partners,
16 members, or shareholders may claim and shall provide that information to each of
17 them. Partners, members of limited liability companies, and shareholders of
18 tax-option corporations may claim the credit in proportion to their ownership
19 interest. Members of a dairy cooperative may claim the credit in proportion to the
20 amount of milk that each member delivers to the dairy cooperative, as determined
21 by the dairy cooperative.

22 **SECTION 29.** 71.47 (3p) (c) 5. of the statutes is created to read:

23 71.47 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
24 the credit, based on amounts described under par. (b) that are paid by the dairy

1 cooperative, for taxable years beginning after December 31, 2008, and before
2 January 1, 2017.

3 **SECTION 30.** 71.47 (3p) (c) 6. of the statutes is created to read:

4 71.47 (3p) (c) 6. No credit may be allowed under this subsection unless the
5 claimant submits with the claimant's return a copy of the claimant's credit
6 certification and allocation under s. 560.207.

7 **SECTION 31.** 71.47 (3p) (d) 2. of the statutes is amended to read:

8 71.47 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
9 the claim under par. (b) exceeds the tax otherwise due under s. 71.43 ~~or no tax is due~~
10 ~~under s. 71.43~~, the amount of the claim not used to offset the tax due shall be certified
11 by the department of revenue to the department of administration for payment by
12 check, share draft, or other draft drawn from the appropriation account under s.
13 20.835 (2) (bn).

14 **SECTION 32.** 71.47 (3p) (d) 3. of the statutes is created to read:

15 71.47 (3p) (d) 3. With regard to claims that are based on amounts described
16 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
17 claim under par. (b) exceeds the tax otherwise due under s. 71.43, the amount of the
18 claim not used to offset the tax due shall be certified by the department of revenue
19 to the department of administration for payment by check, share draft, or other draft
20 drawn from the appropriation account under s. 20.835 (2) (bp).

21 **SECTION 33.** 560.207 (1) of the statutes is amended to read:

22 560.207 (1) The department of commerce shall implement a program to certify
23 taxpayers, including taxpayers who are members of dairy cooperatives, as eligible
24 for the dairy manufacturing facility investment credit under ss. 71.07 (3p), 71.28
25 (3p), and 71.47 (3p).



DOA:.....Miner, BAB - Dairy cooperative investment tax credit
FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Under current law, a person may claim a credit against the person's income or franchise tax liability that is equal to 10 percent of the amount that the person paid in the taxable year for dairy manufacturing modernization or expansion related to the claimant's dairy manufacturing operation. If the amount of the credit exceeds the amount of the person's tax liability, the person receives a refund. Under current law, dairy cooperatives are, generally, not subject to state income or franchise taxes and, therefore, are not eligible to claim the credit for dairy manufacturing modernization or expansion.

This bill allows the members of a dairy cooperative to claim the credit for the dairy manufacturing modernization or expansion expenses paid by the cooperative. The dairy cooperative determines the amount of the credit that each member may claim, based on the amount of milk each member delivers to the cooperative.

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

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

1 **SECTION 1.** 20.835 (2) (bn) of the statutes is amended to read:

2 20.835 (2) (bn) *Dairy manufacturing facility investment credit.* The amounts
3 in the schedule to make the payments under ss. 71.07 (3p) (d) 2., 71.28 (3p) (d) 2., and
4 71.47 (3p) (d) 2.

5 **SECTION 2.** 20.835 (2) (bp) of the statutes is created to read:

6 20.835 (2) (bp) *Dairy manufacturing facility investment credit; dairy*
7 *cooperatives.* A sum sufficient to make the payments under ss. 71.07 (3p) (d) 3., 71.28
8 (3p) (d) 3., and 71.47 (3p) (d) 3.

9 **SECTION 3.** 71.07 (3p) (a) 1m. of the statutes is created to read:

10 71.07 (3p) (a) 1m. "Dairy cooperative" means a business organized under ch.
11 185 or 193 for the purpose of obtaining or processing milk.

12 **SECTION 4.** 71.07 (3p) (a) 3. (intro.) of the statutes is amended to read:

13 71.07 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
14 means constructing, improving, or acquiring buildings or facilities, or acquiring
15 equipment, for dairy manufacturing, including the following, if used exclusively for
16 dairy manufacturing and if acquired and placed in service in this state during
17 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
18 the case of dairy cooperatives, if acquired and placed in service in this state during
19 taxable years that begin after December 31, 2008, and before January 1, 2017:

20 **SECTION 5.** 71.07 (3p) (b) of the statutes is amended to read:

21 71.07 (3p) (b) *Filing claims.* Subject to the limitations provided in this
22 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
23 beginning after December 31, 2006, and before January 1, 2015, a claimant may
24 claim as a credit against the taxes imposed under s. 71.02 or 71.08, up to the amount
25 of the tax, an amount equal to 10 percent of the amount the claimant paid in the

1 taxable year for dairy manufacturing modernization or expansion related to the
2 claimant's dairy manufacturing operation.

3 **SECTION 6.** 71.07 (3p) (c) 2m. b. of the statutes is amended to read:

4 71.07 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
5 by all claimants, other than members of dairy cooperatives, under this subsection
6 and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
7 thereafter, is \$700,000, as allocated under s. 560.207.

8 **SECTION 7.** 71.07 (3p) (c) 2m. bm. of the statutes is created to read:

9 71.07 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
10 by members of dairy cooperatives under this subsection and ss. 71.28 (3p) and 71.47
11 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, and the
12 maximum amount of the credits that may be claimed by members of dairy
13 cooperatives under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year
14 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
15 560.207.

16 **SECTION 8.** 71.07 (3p) (c) 3. of the statutes is amended to read:

17 71.07 (3p) (c) 3. Partnerships, limited liability companies, and tax-option
18 corporations, and dairy cooperatives may not claim the credit under this subsection,
19 but the eligibility for, and the amount of, the credit are based on their payment of
20 expenses under par. (b), except that the aggregate amount of credits that the entity
21 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
22 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
23 dairy cooperative shall compute the amount of credit that each of its partners,
24 members, or shareholders may claim and shall provide that information to each of
25 them. Partners, members of limited liability companies, and shareholders of

1 tax-option corporations may claim the credit in proportion to their ownership
2 interest. Members of a dairy cooperative may claim the credit in proportion to the
3 amount of milk that each member delivers to the dairy cooperative, as determined
4 by the dairy cooperative.

5 **SECTION 9.** 71.07 (3p) (c) 5. of the statutes is created to read:

6 71.07 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
7 the credit, based on amounts described under par. (b) that are paid by the dairy
8 cooperative, for taxable years beginning after December 31, 2008, and before
9 January 1, 2017.

10 **SECTION 10.** 71.07 (3p) (c) 6. of the statutes is created to read:

11 71.07 (3p) (c) 6. No credit may be allowed under this subsection unless the
12 claimant submits with the claimant's return a copy of the claimant's credit
13 certification and allocation under s. 560.207.

14 **SECTION 11.** 71.07 (3p) (d) 2. of the statutes is amended to read:

15 71.07 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
16 the claim under par. (b) exceeds the tax otherwise due under s. 71.02 or 71.08 ~~or no~~
17 ~~tax is due under s. 71.02 or 71.08,~~ the amount of the claim not used to offset the tax
18 due shall be certified by the department of revenue to the department of
19 administration for payment by check, share draft, or other draft drawn from the
20 appropriation account under s. 20.835 (2) (bn).

21 **SECTION 12.** 71.07 (3p) (d) 3. of the statutes is created to read:

22 71.07 (3p) (d) 3. With regard to claims that are based on amounts described
23 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
24 claim under par. (b) exceeds the tax otherwise due under s. 71.02 or 71.08, the
25 amount of the claim not used to offset the tax due shall be certified by the department

1 of revenue to the department of administration for payment by check, share draft,
2 or other draft drawn from the appropriation account under s. 20.835 (2) (bp).

3 **SECTION 13.** 71.28 (3p) (a) 1m. of the statutes is created to read:

4 71.28 (3p) (a) 1m. "Dairy cooperative" means a business organized under ch.
5 185 or 193 for the purpose of obtaining or processing milk.

6 **SECTION 14.** 71.28 (3p) (a) 3. (intro.) of the statutes is amended to read:

7 71.28 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
8 means constructing, improving, or acquiring buildings or facilities, or acquiring
9 equipment, for dairy manufacturing, including the following, if used exclusively for
10 dairy manufacturing and if acquired and placed in service in this state during
11 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
12 the case of dairy cooperatives, if acquired and placed in service in this state during
13 taxable years that begin after December 31, 2008, and before January 1, 2017:

14 **SECTION 15.** 71.28 (3p) (b) of the statutes is amended to read:

15 71.28 (3p) (b) *Filing claims.* Subject to the limitations provided in this
16 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
17 beginning after December 31, 2006, and before January 1, 2015, a claimant may
18 claim as a credit against the taxes imposed under s. 71.23, up to the amount of the
19 tax, an amount equal to 10 percent of the amount the claimant paid in the taxable
20 year for dairy manufacturing modernization or expansion related to the claimant's
21 dairy manufacturing operation.

22 **SECTION 16.** 71.28 (3p) (c) 2m. b. of the statutes is amended to read:

23 71.28 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
24 by all claimants, other than members of dairy cooperatives, under this subsection

1 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
2 thereafter, is \$700,000, as allocated under s. 560.207.

3 **SECTION 17.** 71.28 (3p) (c) 2m. bm. of the statutes is created to read:

4 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
5 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
6 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, and the
7 maximum amount of the credits that may be claimed by members of dairy
8 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year
9 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
10 560.207.

11 **SECTION 18.** 71.28 (3p) (c) 3. of the statutes is amended to read:

12 71.28 (3p) (c) 3. Partnerships, limited liability companies, and tax-option
13 corporations, and dairy cooperatives may not claim the credit under this subsection,
14 but the eligibility for, and the amount of, the credit are based on their payment of
15 expenses under par. (b), except that the aggregate amount of credits that the entity
16 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
17 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
18 dairy cooperative shall compute the amount of credit that each of its partners,
19 members, or shareholders may claim and shall provide that information to each of
20 them. Partners, members of limited liability companies, and shareholders of
21 tax-option corporations may claim the credit in proportion to their ownership
22 interest. Members of a dairy cooperative may claim the credit in proportion to the
23 amount of milk that each member delivers to the dairy cooperative, as determined
24 by the dairy cooperative.

25 **SECTION 19.** 71.28 (3p) (c) 5. of the statutes is created to read:

1 71.28 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
2 the credit, based on amounts described under par. (b) that are paid by the dairy
3 cooperative, for taxable years beginning after December 31, 2008, and before
4 January 1, 2017.

5 **SECTION 20.** 71.28 (3p) (c) 6. of the statutes is created to read:

6 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
7 claimant submits with the claimant's return a copy of the claimant's credit
8 certification and allocation under s. 560.207.

9 **SECTION 21.** 71.28 (3p) (d) 2. of the statutes is amended to read:

10 71.28 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
11 the claim under par. (b) exceeds the tax otherwise due under s. 71.23 ~~or no tax is due~~
12 ~~under s. 71.23~~, the amount of the claim not used to offset the tax due shall be certified
13 by the department of revenue to the department of administration for payment by
14 check, share draft, or other draft drawn from the appropriation account under s.
15 20.835 (2) (bn).

16 **SECTION 22.** 71.28 (3p) (d) 3. of the statutes is created to read:

17 71.28 (3p) (d) 3. With regard to claims that are based on amounts described
18 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
19 claim under par. (b) exceeds the tax otherwise due under s. 71.23, the amount of the
20 claim not used to offset the tax due shall be certified by the department of revenue
21 to the department of administration for payment by check, share draft, or other draft
22 drawn from the appropriation account under s. 20.835 (2) (bp).

23 **SECTION 23.** 71.47 (3p) (a) 1m. of the statutes is created to read:

24 71.47 (3p) (a) 1m. "Dairy cooperative" means a business organized under ch.
25 185 or 193 for the purpose of obtaining or processing milk.

1 **SECTION 24.** 71.47 (3p) (a) 3. (intro.) of the statutes is amended to read:

2 71.47 (3p) (a) 3. (intro.) “Dairy manufacturing modernization or expansion”
3 means constructing, improving, or acquiring buildings or facilities, or acquiring
4 equipment, for dairy manufacturing, including the following, if used exclusively for
5 dairy manufacturing and if acquired and placed in service in this state during
6 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
7 the case of dairy cooperatives, if acquired and placed in service in this state during
8 taxable years that begin after December 31, 2008, and before January 1, 2017:

9 **SECTION 25.** 71.47 (3p) (b) of the statutes is amended to read:

10 71.47 (3p) (b) *Filing claims.* Subject to the limitations provided in this
11 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
12 beginning after December 31, 2006, and before January 1, 2015, a claimant may
13 claim as a credit against the taxes imposed under s. 71.43, up to the amount of the
14 tax, an amount equal to 10 percent of the amount the claimant paid in the taxable
15 year for dairy manufacturing modernization or expansion related to the claimant’s
16 dairy manufacturing operation.

17 **SECTION 26.** 71.47 (3p) (c) 2m. b. of the statutes is amended to read:

18 71.47 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
19 by all claimants, other than members of dairy cooperatives, under this subsection
20 and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2008-09, and in each fiscal year
21 thereafter, is \$700,000, as allocated under s. 560.207.

22 **SECTION 27.** 71.47 (3p) (c) 2m. bm. of the statutes is created to read:

23 71.47 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
24 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.28
25 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, and the

1 maximum amount of the credits that may be claimed by members of dairy
2 cooperatives under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year
3 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
4 560.207.

5 **SECTION 28.** 71.47 (3p) (c) 3. of the statutes is amended to read:

6 71.47 (3p) (c) 3. Partnerships, limited liability companies, and tax-option
7 corporations, and dairy cooperatives may not claim the credit under this subsection,
8 but the eligibility for, and the amount of, the credit are based on their payment of
9 expenses under par. (b), except that the aggregate amount of credits that the entity
10 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
11 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
12 dairy cooperative shall compute the amount of credit that each of its partners,
13 members, or shareholders may claim and shall provide that information to each of
14 them. Partners, members of limited liability companies, and shareholders of
15 tax-option corporations may claim the credit in proportion to their ownership
16 interest. Members of a dairy cooperative may claim the credit in proportion to the
17 amount of milk that each member delivers to the dairy cooperative, as determined
18 by the dairy cooperative.

19 **SECTION 29.** 71.47 (3p) (c) 5. of the statutes is created to read:

20 71.47 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
21 the credit, based on amounts described under par. (b) that are paid by the dairy
22 cooperative, for taxable years beginning after December 31, 2008, and before
23 January 1, 2017.

24 **SECTION 30.** 71.47 (3p) (c) 6. of the statutes is created to read:

1 71.47 (3p) (c) 6. No credit may be allowed under this subsection unless the
2 claimant submits with the claimant's return a copy of the claimant's credit
3 certification and allocation under s. 560.207.

4 **SECTION 31.** 71.47 (3p) (d) 2. of the statutes is amended to read:

5 71.47 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
6 the claim under par. (b) exceeds the tax otherwise due under s. 71.43 ~~or no tax is due~~
7 ~~under s. 71.43,~~ the amount of the claim not used to offset the tax due shall be certified
8 by the department of revenue to the department of administration for payment by
9 check, share draft, or other draft drawn from the appropriation account under s.
10 20.835 (2) (bn).

11 **SECTION 32.** 71.47 (3p) (d) 3. of the statutes is created to read:

12 71.47 (3p) (d) 3. With regard to claims that are based on amounts described
13 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
14 claim under par. (b) exceeds the tax otherwise due under s. 71.43, the amount of the
15 claim not used to offset the tax due shall be certified by the department of revenue
16 to the department of administration for payment by check, share draft, or other draft
17 drawn from the appropriation account under s. 20.835 (2) (bp).

18 **SECTION 33.** 560.207 (1) of the statutes is amended to read:

19 560.207 (1) The department of commerce shall implement a program to certify
20 taxpayers, including taxpayers who are members of dairy cooperatives, as eligible
21 for the dairy manufacturing facility investment credit under ss. 71.07 (3p), 71.28
22 (3p), and 71.47 (3p).

23 **SECTION 34.** 560.207 (2) of the statutes is amended to read:

24 560.207 (2) If the department of commerce certifies a taxpayer under sub. (1),
25 the department of commerce shall determine the amount of credits to allocate to that

1 taxpayer. The total amount of dairy manufacturing facility investment credits
2 allocated to taxpayers in fiscal year 2007-08 may not exceed \$600,000 and the total
3 amount of dairy manufacturing facility investment credits allocated to taxpayers
4 who are not members of dairy cooperatives in fiscal year 2008-09, and in each fiscal
5 year thereafter, may not exceed \$700,000. The total amount of dairy manufacturing
6 facility investment credits allocated to taxpayers who are members of dairy
7 cooperatives in fiscal year 2009-10 may not exceed \$600,000 and the total amount
8 of dairy manufacturing facility investment credits allocated to taxpayers who are
9 members of dairy cooperatives in fiscal year 2010-11, and in each fiscal year
10 thereafter, may not exceed \$700,000.

11 (END)