

1 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.
2 560.208, for taxable years beginning after December 31, 2008, and before January
3 1, 2017, a claimant may claim as a credit against the taxes imposed under s. 71.02
4 or 71.08, up to the amount of the tax, an amount equal to 10 percent of the amount
5 the claimant paid in the taxable year for meat processing modernization or
6 expansion related to the claimant's meat processing operation.

7 (c) *Limitations.* 1. No credit may be allowed under this subsection for any
8 amount that the claimant paid for expenses described under par. (b) that the
9 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

10 2. The aggregate amount of credits that a claimant may claim under this
11 subsection is \$200,000.

12 3. a. The maximum amount of the credits that may be allocated under this
13 subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2009-10 is \$300,000, as
14 allocated under s. 560.208.

15 b. The maximum amount of the credits that may be allocated under this
16 subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2010-11, and in each fiscal
17 year thereafter, is \$700,000, as allocated under s. 560.208.

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

1 liability companies, and shareholders of tax-option corporations may claim the
2 credit in proportion to their ownership interest.

3 5. If 2 or more persons own and operate the meat processing operation, each
4 person may claim a credit under par. (b) in proportion to his or her ownership
5 interest, except that the aggregate amount of the credits claimed by all persons who
6 own and operate the meat processing operation shall not exceed \$200,000.

7 6. No credit may be allowed under this subsection unless the claimant submits
8 with the claimant's return a copy of the claimant's credit certification and allocation
9 under s. 560.208.

10 (d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the
11 credit under s. 71.28 (4), applies to the credit under this subsection.

12 2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise
13 due under s. 71.02 or 71.08, the amount of the claim not used to offset the tax due
14 shall be certified by the department of revenue to the department of administration
15 for payment by check, share draft, or other draft drawn from the appropriation
16 account under s. 20.835 (2) (bd).

17 **SECTION 89.** 71.07 (5b) (c) 1. of the statutes is amended to read:

18 71.07 (5b) (c) 1. Except as provided in s. 73.03 (63), the maximum amount of
19 the credits that may be claimed under this subsection and ss. 71.28 (5b) and, 71.47
20 (5b), and 76.638 for all taxable years combined is \$52,500,000.

21 ***-1949/P1.2*** **SECTION 90.** 71.07 (5d) (b) of the statutes is renumbered 71.07
22 (5d) (b) (intro.) and amended to read:

23 71.07 (5d) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
24 subsection and in s. 560.205, a claimant may claim as a credit against the tax
25 imposed under s. 71.02 or 71.08, up to the amount of those taxes, the following:

1 1. For taxable years beginning before January 1, 2008, in each taxable year for
2 consecutive years, beginning with the taxable year as certified by the department
3 of commerce, an amount equal to 12.5 percent of the claimant's bona fide angel
4 investment made directly in a qualified new business venture.

5 ***-1949/P1.3* SECTION 91.** 71.07 (5d) (b) 2. of the statutes is created to read:

6 71.07 (5d) (b) 2. For taxable years beginning after December 31, 2007, for the
7 taxable year certified by the department of commerce, an amount equal to 25 percent
8 of the claimant's bona fide angel investment made directly in a qualified new
9 business venture.

10 ***-1949/P1.4* SECTION 92.** 71.07 (5d) (c) 2. of the statutes is amended to read:

11 71.07 (5d) (c) 2. The For taxable years beginning before January 1, 2008, the
12 maximum amount of a claimant's investment that may be used as the basis for a
13 credit under this subsection is \$2,000,000 for each investment made directly in a
14 business certified under s. 560.205 (1).

15 ***-0377/P10.5* *-4294/P1.5* SECTION 93.** 71.07 (5e) (b) of the statutes is
16 amended to read:

17 71.07 (5e) (b) *Filing claims.* Subject to the limitations provided in this
18 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
19 taxable year following the taxable year in which the claimant claims ~~an exemption~~
20 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
21 the taxes imposed under ss. 71.02 and 71.08, up to the amount of those taxes, in each
22 taxable year for 2 years, the amount of sales and use tax certified by the department
23 of commerce that resulted from the claimant claimed as an exemption claiming a
24 deduction under s. ~~77.54 (48)~~ 77.585 (9).

1 ***-0377/P10.6* *-4294/P1.6* SECTION 94.** 71.07 (5e) (c) 1. of the statutes is
2 amended to read:

3 71.07 (5e) (c) 1. No credit may be allowed under this subsection unless the
4 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

5 ***-0377/P10.7* *-4294/P1.7* SECTION 95.** 71.07 (5e) (c) 3. of the statutes is
6 amended to read:

7 71.07 (5e) (c) 3. The total amount of the credits and ~~exemptions~~ the sales and
8 use tax resulting from the deductions claimed under s. 77.585 (9) that may be claimed
9 by all claimants under this subsection and ss. 71.28 (5e), 71.47 (5e), and ~~77.54 (48)~~
10 77.585 (9) is \$7,500,000, as determined by the department of commerce.

11 ***-1948/P1.4* SECTION 96.** 71.08 (1) (intro.) of the statutes is amended to read:

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

22 ***-1942/P1.7* SECTION 97.** 71.10 (4) (gv) of the statutes is created to read:

23 71.10 (4) (gv) Economic development tax credit under s. 71.07 (2dy).

24 ***-1948/P1.5* SECTION 98.** 71.10 (4) (i) of the statutes is amended to read:

1 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
2 preservation credit under subch. IX, homestead credit under subch. VIII, farmland
3 tax relief credit under s. 71.07 (3m), farmers' drought property tax credit under s.
4 71.07 (2fd), dairy manufacturing facility investment credit under s. 71.07 (3p), meat
5 processing facility investment credit under s. 71.07 (3r), film production services
6 credit under s. 71.07 (5f) (b) 2., veterans and surviving spouses property tax credit
7 under s. 71.07 (6e), enterprise zone jobs credit under s. 71.07 (3w), earned income tax
8 credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld
9 under subch. X.

10 ***-1992/1.1* SECTION 99.** 71.21 (3) of the statutes is amended to read:

11 71.21 (3) The credits under s. 71.28 (4), (4m), and (5) may not be claimed by a
12 partnership or by partners, including partners of a publicly traded partnership.

13 ***-1948/P1.6* SECTION 100.** 71.21 (4) of the statutes is amended to read:

14 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
15 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3r), (3s), (3t), (3w), (5e),
16 (5f), (5g), (5h), (5i), (5j), and (5k) and passed through to partners shall be added to
17 the partnership's income.

18 ***-1992/1.2* SECTION 101.** 71.26 (2) (a) 2. of the statutes is amended to read:

19 71.26 (2) (a) 2. Plus the amount of credit computed under s. 71.28 (1), (3), (4),
20 (4m), and (5).

21 ***-1948/P1.7* SECTION 102.** 71.26 (2) (a) 4. of the statutes is amended to read:

22 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
23 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3r), (3t), (3w),
24 (5e), (5f), (5g), (5h), (5i), (5j), and (5k) and not passed through by a partnership,
25 limited liability company, or tax-option corporation that has added that amount to

1 the partnership's, limited liability company's, or tax-option corporation's income
2 under s. 71.21 (4) or 71.34 (1k) (g).

3 ***-1992/1.3* SECTION 103.** 71.26 (3) (n) of the statutes is amended to read:

4 71.26 (3) (n) Sections 381, 382 and 383 (relating to carry-overs in certain
5 corporate acquisitions) are modified so that they apply to losses under sub. (4) and
6 credits under s. 71.28 (1di), (1dL), (1dm), (1dx), (3), (4), (4m), and (5) instead of to
7 federal credits and federal net operating losses.

8 ***-1942/P1.10* SECTION 104.** 71.28 (1dy) of the statutes is created to read:

9 71.28 (1dy) ECONOMIC DEVELOPMENT TAX CREDIT. (a) *Definition.* In this
10 subsection, "claimant" means a person who files a claim under this subsection and
11 is certified under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

12 (b) *Filing claims.* Subject to the limitations under this subsection and ss.
13 560.701 to 560.706, for taxable years beginning after December 31, 2008, a claimant
14 may claim as a credit against the tax imposed under s. 71.23, up to the amount of the
15 tax, the amount authorized for the claimant under s. 560.703.

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

20 2. Partnerships, limited liability companies, and tax-option corporations may
21 not claim the credit under this subsection, but the eligibility for, and the amount of,
22 the credit are based on their authorization to claim tax benefits under s. 560.703.
23 A partnership, limited liability company, or tax-option corporation shall compute
24 the amount of credit that each of its partners, members, or shareholders may claim
25 and shall provide that information to each of them. Partners, members of limited

1 liability companies, and shareholders of tax-option corporations may claim the
2 credit in proportion to their ownership interests.

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

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

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

16 ***-1947/P1.13* SECTION 105.** 71.28 (3p) (a) 1m. of the statutes is created to
17 read:

18 71.28 (3p) (a) 1m. "Dairy cooperative" means a business organized under ch.
19 185 or 193 for the purpose of obtaining or processing milk.

20 ***-1947/P1.14* SECTION 106.** 71.28 (3p) (a) 3. (intro.) of the statutes is amended
21 to read:

22 71.28 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
23 means constructing, improving, or acquiring buildings or facilities, or acquiring
24 equipment, for dairy manufacturing, including the following, if used exclusively for
25 dairy manufacturing and if acquired and placed in service in this state during

1 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
2 the case of dairy cooperatives, if acquired and placed in service in this state during
3 taxable years that begin after December 31, 2008, and before January 1, 2017:

4 ***-1947/P1.15* SECTION 107.** 71.28 (3p) (b) of the statutes is amended to read:

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

12 ***-1947/P1.16* SECTION 108.** 71.28 (3p) (c) 2m. b. of the statutes is amended
13 to read:

14 71.28 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
15 by all claimants, other than members of dairy cooperatives, under this subsection
16 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
17 thereafter, is \$700,000, as allocated under s. 560.207.

18 ***-1947/P1.17* SECTION 109.** 71.28 (3p) (c) 2m. bm. of the statutes is created
19 to read:

20 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
21 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
22 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, and the
23 maximum amount of the credits that may be claimed by members of dairy
24 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year

1 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
2 560.207.

3 ***-1947/P1.18* SECTION 110.** 71.28 (3p) (c) 3. of the statutes is amended to read:

4 71.28 (3p) (c) 3. Partnerships, limited liability companies, ~~and~~ tax-option
5 corporations, and dairy cooperatives may not claim the credit under this subsection,
6 but the eligibility for, and the amount of, the credit are based on their payment of
7 expenses under par. (b), except that the aggregate amount of credits that the entity
8 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
9 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
10 dairy cooperative shall compute the amount of credit that each of its partners,
11 members, or shareholders may claim and shall provide that information to each of
12 them. Partners, members of limited liability companies, and shareholders of
13 tax-option corporations may claim the credit in proportion to their ownership
14 interest. Members of a dairy cooperative may claim the credit in proportion to the
15 amount of milk that each member delivers to the dairy cooperative, as determined
16 by the dairy cooperative.

17 ***-1947/P1.19* SECTION 111.** 71.28 (3p) (c) 5. of the statutes is created to read:

18 71.28 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
19 the credit, based on amounts described under par. (b) that are paid by the dairy
20 cooperative, for taxable years beginning after December 31, 2008, and before
21 January 1, 2017.

22 ***-1947/P1.20* SECTION 112.** 71.28 (3p) (c) 6. of the statutes is created to read:

23 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
24 claimant submits with the claimant's return a copy of the claimant's credit
25 certification and allocation under s. 560.207.

1 ***-1947/P1.21* SECTION 113.** 71.28 (3p) (d) 2. of the statutes is amended to read:

2 71.28 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
3 the claim under par. (b) exceeds the tax otherwise due under s. 71.23 ~~or no tax is due~~
4 ~~under s. 71.23,~~ the amount of the claim not used to offset the tax due shall be certified
5 by the department of revenue to the department of administration for payment by
6 check, share draft, or other draft drawn from the appropriation account under s.
7 20.835 (2) (bn).

8 ***-1947/P1.22* SECTION 114.** 71.28 (3p) (d) 3. of the statutes is created to read:

9 71.28 (3p) (d) 3. With regard to claims that are based on amounts described
10 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
11 claim under par. (b) exceeds the tax otherwise due under s. 71.23, the amount of the
12 claim not used to offset the tax due shall be certified by the department of revenue
13 to the department of administration for payment by check, share draft, or other draft
14 drawn from the appropriation account under s. 20.835 (2) (bp).

15 ***-1948/P1.8* SECTION 115.** 71.28 (3r) of the statutes is created to read:

16 71.28 (3r) MEAT PROCESSING FACILITY INVESTMENT CREDIT. (a) *Definitions.* In this
17 subsection:

18 1. "Claimant" means a person who files a claim under this subsection.

19 2. "Meat processing" means processing livestock into meat products or
20 processing meat products for sale commercially.

21 3. "Meat processing modernization or expansion" means constructing,
22 improving, or acquiring buildings or facilities, or acquiring equipment, for meat
23 processing, including the following, if used exclusively for meat processing and if
24 acquired and placed in service in this state during taxable years that begin after
25 December 31, 2008, and before January 1, 2017:

1 a. Building construction, including livestock handling, product intake, storage,
2 and warehouse facilities.

3 b. Building additions.

4 c. Upgrades to utilities, including water, electric, heat, refrigeration, freezing,
5 and waste facilities.

6 d. Livestock intake and storage equipment.

7 e. Processing and manufacturing equipment, including cutting equipment,
8 mixers, grinders, sausage stuffers, meat smokers, curing equipment, cooking
9 equipment, pipes, motors, pumps, and valves.

10 f. Packaging and handling equipment, including sealing, bagging, boxing,
11 labeling, conveying, and product movement equipment.

12 g. Warehouse equipment, including storage and curing racks.

13 h. Waste treatment and waste management equipment, including tanks,
14 blowers, separators, dryers, digesters, and equipment that uses waste to produce
15 energy, fuel, or industrial products.

16 i. Computer software and hardware used for managing the claimant's meat
17 processing operation, including software and hardware related to logistics,
18 inventory management, production plant controls, and temperature monitoring
19 controls.

20 4. "Used exclusively" means used to the exclusion of all other uses except for
21 use not exceeding 5 percent of total use.

22 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.
23 560.208, for taxable years beginning after December 31, 2008, and before January
24 1, 2017, a claimant may claim as a credit against the taxes imposed under s. 71.23,
25 up to the amount of the tax, an amount equal to 10 percent of the amount the

1 claimant paid in the taxable year for meat processing modernization or expansion
2 related to the claimant's meat processing operation.

3 (c) *Limitations.* 1. No credit may be allowed under this subsection for any
4 amount that the claimant paid for expenses described under par. (b) that the
5 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

6 2. The aggregate amount of credits that a claimant may claim under this
7 subsection is \$200,000.

8 3. a. The maximum amount of the credits that may be allocated under this
9 subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009-10 is \$300,000, as
10 allocated under s. 560.208.

11 b. The maximum amount of the credits that may be allocated under this
12 subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010-11, and in each fiscal
13 year thereafter, is \$700,000, as allocated under s. 560.208.

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

23 5. If 2 or more persons own and operate the meat processing operation, each
24 person may claim a credit under par. (b) in proportion to his or her ownership

1 interest, except that the aggregate amount of the credits claimed by all persons who
2 own and operate the meat processing operation shall not exceed \$200,000.

3 6. No credit may be allowed under this subsection unless the claimant submits
4 with the claimant's return a copy of the claimant's credit certification and allocation
5 under s. 560.208.

6 (d) *Administration*. 1. Subsection (4) (e), (g), and (h), as it applies to the credit
7 under sub. (4), applies to the credit under this subsection.

8 2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise
9 due under s. 71.23, the amount of the claim not used to offset the tax due shall be
10 certified by the department of revenue to the department of administration for
11 payment by check, share draft, or other draft drawn from the appropriation account
12 under s. 20.835 (2) (bd).

13 ***-1992/1.4* SECTION 116.** 71.28 (4m) of the statutes is created to read:

14 71.28 (4m) SUPER RESEARCH AND DEVELOPMENT CREDIT. (a) *Definition*. In this
15 subsection, "qualified research expenses" means qualified research expenses as
16 defined in section 41 of the Internal Revenue Code, except that "qualified research
17 expenses" includes only expenses incurred by the claimant for research conducted
18 in this state for the taxable year and except that "qualified research expenses" do not
19 include compensation used in computing the credits under subs. (1dj) and (1dx).

20 (b) *Credit*. Subject to the limitations provided under this subsection, for
21 taxable years beginning on or after January 1, 2011, a corporation may claim as a
22 credit against the tax imposed under s. 71.23, up to the amount of those taxes, an
23 amount equal to the amount of qualified research expenses paid or incurred by the
24 corporation in the taxable year that exceeds the amount calculated as follows:

1 1. Determine the average amount of the qualified research expenses paid or
2 incurred by the corporation in the 3 taxable years immediately preceding the taxable
3 year for which a credit is claimed under this subsection.

4 2. Multiply the amount determined under subd. 1. by 1.25.

5 (c) *Limitations.* Subsection (4) (b) to (d) and (i), as it applies to the credit under
6 sub. (4), applies to the credit under this subsection.

7 (d) *Administration.* 1. Subsection (4) (e), (g), and (h), as it applies to the credit
8 under sub. (4), applies to the credit under this subsection.

9 2. If a credit computed under this subsection is not entirely offset against
10 Wisconsin income or franchise taxes otherwise due, the unused balance may be
11 carried forward and credited against Wisconsin income or franchise taxes otherwise
12 due for the following 5 taxable years to the extent not offset by these taxes otherwise
13 due in all intervening years between the year in which the expense was incurred and
14 the year in which the carry-forward credit is claimed.

15 **SECTION 117.** 71.28 (5b) (c) 1. of the statutes is amended to read:

16 71.28 (5b) (c) 1. Except as provided in s. 73.03 (63), the maximum amount of
17 the credits that may be claimed under this subsection and ss. 71.07 (5b) and, 71.47
18 (5b), and 76.638 for all taxable years combined is \$52,500,000.

19 *-0377/P10.8* *-4294/P1.8* **SECTION 118.** 71.28 (5e) (b) of the statutes is
20 amended to read:

21 71.28 (5e) (b) *Filing claims.* Subject to the limitations provided in this
22 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
23 taxable year following the taxable year in which the claimant claims ~~an exemption~~
24 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
25 the taxes imposed under s. 71.23, up to the amount of those taxes, in each taxable

1 year for 2 years, the amount of sales and use tax certified by the department of
2 commerce that resulted from the claimant ~~claimed as an exemption~~ claiming a
3 deduction under s. ~~77.54 (48)~~ 77.585 (9).

4 ***-0377/P10.9* *-4294/P1.9* SECTION 119.** 71.28 (5e) (c) 1. of the statutes is
5 amended to read:

6 71.28 (5e) (c) 1. No credit may be allowed under this subsection unless the
7 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

8 ***-0377/P10.10* *-4294/P1.10* SECTION 120.** 71.28 (5e) (c) 3. of the statutes
9 is amended to read:

10 71.28 (5e) (c) 3. The total amount of the credits and ~~exemptions~~ the sales and
11 use tax resulting from the deductions claimed under s. 77.585 (9) that may be claimed
12 by all claimants under this subsection and ss. 71.07 (5e), 71.47 (5e), and ~~77.54 (48)~~
13 77.585 (9) is \$7,500,000, as determined by the department of commerce.

14 ***-1992/1.5* SECTION 121.** 71.30 (3) (db) of the statutes is created to read:

15 71.30 (3) (db) Super research and development credit under s. 71.28 (4m).

16 ***-1942/P1.11* SECTION 122.** 71.30 (3) (em) of the statutes is renumbered 71.30
17 (3) (eh).

18 ***-1942/P1.12* SECTION 123.** 71.30 (3) (ema) of the statutes is created to read:

19 71.30 (3) (ema) Economic development tax credit under s. 71.28 (1dy).

20 ***-1942/P1.13* SECTION 124.** 71.30 (3) (emb) of the statutes is renumbered
21 71.30 (3) (ei).

22 ***-1942/P1.14* SECTION 125.** 71.30 (3) (en) of the statutes is renumbered 71.30
23 (3) (ej).

24 ***-1942/P1.15* SECTION 126.** 71.30 (3) (eo) of the statutes is renumbered 71.30
25 (3) (ek).

1 ***-1942/P1.16* SECTION 127.** 71.30 (3) (eom) of the statutes is renumbered
2 71.30 (3) (eL).

3 ***-1948/P1.9* SECTION 128.** 71.30 (3) (f) of the statutes is amended to read:

4 71.30 (3) (f) The total of farmers' drought property tax credit under s. 71.28
5 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under
6 s. 71.28 (2m), dairy manufacturing facility investment credit under s. 71.28 (3p),
7 meat processing facility investment credit under s. 71.28 (3r), enterprise zone jobs
8 credit under s. 71.28 (3w), film production services credit under s. 71.28 (5f) (b) 2.,
9 and estimated tax payments under s. 71.29.

10 ***-1948/P1.10* SECTION 129.** 71.34 (1k) (g) of the statutes is amended to read:

11 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option
12 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),
13 (3), (3g), (3h), (3n), (3p), (3r), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), and (5k) and
14 passed through to shareholders.

15 ***-1992/1.6* SECTION 130.** 71.365 (3) of the statutes is amended to read:

16 71.365 (3) CREDITS NOT ALLOWED. The credits under s. 71.28 (4), (4m), and (5)
17 may not be claimed by a tax-option corporation or shareholders of a tax-option
18 corporation.

19 ***-1948/P1.11* SECTION 131.** 71.45 (2) (a) 10. of the statutes is amended to read:

20 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
21 computed under s. 71.47 (1dd) to (1dx) (1dy), (3h), (3n), (3p), (3r), (3w), (5e), (5f), (5g),
22 (5h), (5i), (5j), and (5k) and not passed through by a partnership, limited liability
23 company, or tax-option corporation that has added that amount to the partnership's,
24 limited liability company's, or tax-option corporation's income under s. 71.21 (4) or

1 71.34 (1k) (g) and the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m),
2 and (5).

3 ***-1942/P1.19*** **SECTION 132.** 71.47 (1dy) of the statutes is created to read:

4 71.47 (1dy) ECONOMIC DEVELOPMENT TAX CREDIT. (a) *Definition.* In this
5 subsection, "claimant" means a person who files a claim under this subsection and
6 is certified under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

7 (b) *Filing claims.* Subject to the limitations under this subsection and ss.
8 560.701 to 560.706, for taxable years beginning after December 31, 2008, a claimant
9 may claim as a credit against the tax imposed under s. 71.43, up to the amount of the
10 tax, the amount authorized for the claimant under s. 560.703.

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

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

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

1 2. If a claimant's certification is revoked under s. 560.705, or if a claimant
2 becomes ineligible for tax benefits under s. 560.702, the claimant may not claim
3 credits under this subsection for the taxable year that includes the day on which the
4 certification is revoked; the taxable year that includes the day on which the claimant
5 becomes ineligible for tax benefits; or succeeding taxable years and the claimant may
6 not carry over unused credits from previous years to offset the tax imposed under s.
7 71.43 for the taxable year that includes the day on which certification is revoked; the
8 taxable year that includes the day on which the claimant becomes ineligible for tax
9 benefits; or succeeding taxable years.

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

12 ***-1947/P1.23* SECTION 133.** 71.47 (3p) (a) 1m. of the statutes is created to
13 read:

14 71.47 (3p) (a) 1m. "Dairy cooperative" means a business organized under ch.
15 185 or 193 for the purpose of obtaining or processing milk.

16 ***-1947/P1.24* SECTION 134.** 71.47 (3p) (a) 3. (intro.) of the statutes is amended
17 to read:

18 71.47 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
19 means constructing, improving, or acquiring buildings or facilities, or acquiring
20 equipment, for dairy manufacturing, including the following, if used exclusively for
21 dairy manufacturing and if acquired and placed in service in this state during
22 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
23 the case of dairy cooperatives, if acquired and placed in service in this state during
24 taxable years that begin after December 31, 2008, and before January 1, 2017:

25 ***-1947/P1.25* SECTION 135.** 71.47 (3p) (b) of the statutes is amended to read:

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

8 ***-1947/P1.26* SECTION 136.** 71.47 (3p) (c) 2m. b. of the statutes is amended
9 to read:

10 71.47 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
11 by all claimants, other than members of dairy cooperatives, under this subsection
12 and ss. 71.07 (3p) and 71.28 (3p) in fiscal year 2008-09, and in each fiscal year
13 thereafter, is \$700,000, as allocated under s. 560.207.

14 ***-1947/P1.27* SECTION 137.** 71.47 (3p) (c) 2m. bm. of the statutes is created
15 to read:

16 71.47 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
17 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.28
18 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, and the
19 maximum amount of the credits that may be claimed by members of dairy
20 cooperatives under this subsection and ss. 71.07 (3p) and 71.28 (3p) in fiscal year
21 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
22 560.207.

23 ***-1947/P1.28* SECTION 138.** 71.47 (3p) (c) 3. of the statutes is amended to read:

24 71.47 (3p) (c) 3. Partnerships, limited liability companies, and tax-option
25 corporations, and dairy cooperatives may not claim the credit under this subsection,

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

12 ***-1947/P1.29* SECTION 139.** 71.47 (3p) (c) 5. of the statutes is created to read:

13 71.47 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
14 the credit, based on amounts described under par. (b) that are paid by the dairy
15 cooperative, for taxable years beginning after December 31, 2008, and before
16 January 1, 2017.

17 ***-1947/P1.30* SECTION 140.** 71.47 (3p) (c) 6. of the statutes is created to read:

18 71.47 (3p) (c) 6. No credit may be allowed under this subsection unless the
19 claimant submits with the claimant's return a copy of the claimant's credit
20 certification and allocation under s. 560.207.

21 ***-1947/P1.31* SECTION 141.** 71.47 (3p) (d) 2. of the statutes is amended to
22 read:

23 71.47 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
24 the claim under par. (b) exceeds the tax otherwise due under s. 71.43 or no tax is due
25 under s. 71.43, the amount of the claim not used to offset the tax due shall be certified

1 by the department of revenue to the department of administration for payment by
2 check, share draft, or other draft drawn from the appropriation account under s.
3 20.835 (2) (bn).

4 ***-1947/P1.32* SECTION 142.** 71.47 (3p) (d) 3. of the statutes is created to read:

5 71.47 (3p) (d) 3. With regard to claims that are based on amounts described
6 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
7 claim under par. (b) exceeds the tax otherwise due under s. 71.43, the amount of the
8 claim not used to offset the tax due shall be certified by the department of revenue
9 to the department of administration for payment by check, share draft, or other draft
10 drawn from the appropriation account under s. 20.835 (2) (bp).

11 ***-1948/P1.12* SECTION 143.** 71.47 (3r) of the statutes is created to read:

12 71.47 (3r) MEAT PROCESSING FACILITY INVESTMENT CREDIT. (a) *Definitions.* In this
13 subsection:

14 1. "Claimant" means a person who files a claim under this subsection.

15 2. "Meat processing" means processing livestock into meat products or
16 processing meat products for sale commercially.

17 3. "Meat processing modernization or expansion" means constructing,
18 improving, or acquiring buildings or facilities, or acquiring equipment, for meat
19 processing, including the following, if used exclusively for meat processing and if
20 acquired and placed in service in this state during taxable years that begin after
21 December 31, 2008, and before January 1, 2017:

22 a. Building construction, including livestock handling, product intake, storage,
23 and warehouse facilities.

24 b. Building additions.

1 c. Upgrades to utilities, including water, electric, heat, refrigeration, freezing,
2 and waste facilities.

3 d. Livestock intake and storage equipment.

4 e. Processing and manufacturing equipment, including cutting equipment,
5 mixers, grinders, sausage stuffers, meat smokers, curing equipment, cooking
6 equipment, pipes, motors, pumps, and valves.

7 f. Packaging and handling equipment, including sealing, bagging, boxing,
8 labeling, conveying, and product movement equipment.

9 g. Warehouse equipment, including storage and curing racks.

10 h. Waste treatment and waste management equipment, including tanks,
11 blowers, separators, dryers, digesters, and equipment that uses waste to produce
12 energy, fuel, or industrial products.

13 i. Computer software and hardware used for managing the claimant's meat
14 processing operation, including software and hardware related to logistics,
15 inventory management, production plant controls, and temperature monitoring
16 controls.

17 4. "Used exclusively" means used to the exclusion of all other uses except for
18 use not exceeding 5 percent of total use.

19 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.
20 560.208, for taxable years beginning after December 31, 2008, and before January
21 1, 2017, a claimant may claim as a credit against the taxes imposed under s. 71.43,
22 up to the amount of the tax, an amount equal to 10 percent of the amount the
23 claimant paid in the taxable year for meat processing modernization or expansion
24 related to the claimant's meat processing operation.

1 (c) *Limitations.* 1. No credit may be allowed under this subsection for any
2 amount that the claimant paid for expenses described under par. (b) that the
3 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

4 2. The aggregate amount of credits that a claimant may claim under this
5 subsection is \$200,000.

6 3. a. The maximum amount of the credits that may be allocated under this
7 subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2009-10 is \$300,000, as
8 allocated under s. 560.208.

9 b. The maximum amount of the credits that may be allocated under this
10 subsection and ss. 71.07 (3r) and 71.28 (3r) in fiscal year 2010-11, and in each fiscal
11 year thereafter, is \$700,000, as allocated under s. 560.208.

12 4. 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 payment of expenses under par. (b), except that the
15 aggregate amount of credits that the entity may compute shall not exceed \$200,000.
16 A partnership, limited liability company, or tax-option corporation shall compute
17 the amount of credit that each of its partners, members, or shareholders may claim
18 and shall provide that information to each of them. Partners, members of limited
19 liability companies, and shareholders of tax-option corporations may claim the
20 credit in proportion to their ownership interest.

21 5. If 2 or more persons own and operate the meat processing operation, each
22 person may claim a credit under par. (b) in proportion to his or her ownership
23 interest, except that the aggregate amount of the credits claimed by all persons who
24 own and operate the meat processing operation shall not exceed \$200,000.

1 6. No credit may be allowed under this subsection unless the claimant submits
2 with the claimant's return a copy of the claimant's credit certification and allocation
3 under s. 560.208.

4 (d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the
5 credit under s. 71.28 (4), applies to the credit under this subsection.

6 2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise
7 due under s. 71.43, the amount of the claim not used to offset the tax due shall be
8 certified by the department of revenue to the department of administration for
9 payment by check, share draft, or other draft drawn from the appropriation account
10 under s. 20.835 (2) (bd).

11 ***-1992/1.8*** SECTION 144. 71.47 (4m) of the statutes is created to read:

12 71.47 (4m) SUPER RESEARCH AND DEVELOPMENT CREDIT. (a) *Definition.* In this
13 subsection, "qualified research expenses" means qualified research expenses as
14 defined in section 41 of the Internal Revenue Code, except that "qualified research
15 expenses" includes only expenses incurred by the claimant for research conducted
16 in this state for the taxable year and except that "qualified research expenses" do not
17 include compensation used in computing the credits under subs. (1dj) and (1dx).

18 (b) *Credit.* Subject to the limitations provided under this subsection, for
19 taxable years beginning on or after January 1, 2011, a corporation may claim as a
20 credit against the tax imposed under s. 71.43, up to the amount of those taxes, an
21 amount equal to the amount of qualified research expenses paid or incurred by the
22 corporation in the taxable year that exceeds the amount calculated as follows:

23 1. Determine the average amount of the qualified research expenses paid or
24 incurred by the corporation in the 3 taxable years immediately preceding the taxable
25 year for which a credit is claimed under this subsection.

1 2. Multiply the amount determined under subd. 1. by 1.25.

2 (c) *Limitations.* Section 71.28 (4) (b) to (d) and (i), as it applies to the credit
3 under s. 71.28 (4), applies to the credit under this subsection.

4 (d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the
5 credit under s. 71.28 (4), applies to the credit under this subsection.

6 2. If a credit computed under this subsection is not entirely offset against
7 Wisconsin income or franchise taxes otherwise due, the unused balance may be
8 carried forward and credited against Wisconsin income or franchise taxes otherwise
9 due for the following 5 taxable years to the extent not offset by these taxes otherwise
10 due in all intervening years between the year in which the expense was incurred and
11 the year in which the carry-forward credit is claimed.

12 **SECTION 145.** 71.47 (5b) (c) 1. of the statutes is amended to read:

13 71.47 (5b) (c) 1. Except as provided in s. 73.03 (63), the maximum amount of
14 the credits that may be claimed under this subsection and ss. 71.07 (5b) and, 71.28
15 (5b), and 76.638 for all taxable years combined is \$52,500,000.

16 *~~0377/P10.11~~* *~~4294/P1.11~~* **SECTION 146.** 71.47 (5e) (b) of the statutes is
17 amended to read:

18 71.47 (5e) (b) *Filing claims.* Subject to the limitations provided in this
19 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
20 taxable year following the taxable year in which the claimant claims ~~an exemption~~
21 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
22 the taxes imposed under s. 71.43, up to the amount of those taxes, in each taxable
23 year for 2 years, the amount of sales and use tax certified by the department of
24 commerce that resulted from the claimant ~~claimed as an exemption~~ claiming a
25 deduction under s. ~~77.54 (48)~~ 77.585 (9).

1 ***-0377/P10.12* *-4294/P1.12* SECTION 147.** 71.47 (5e) (c) 1. of the statutes
2 is amended to read:

3 71.47 (5e) (c) 1. No credit may be allowed under this subsection unless the
4 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

5 ***-0377/P10.13* *-4294/P1.13* SECTION 148.** 71.47 (5e) (c) 3. of the statutes
6 is amended to read:

7 71.47 (5e) (c) 3. The total amount of the credits and ~~exemptions~~ the sales and
8 use tax resulting from the deductions claimed under s. 77.585 (9) that may be claimed
9 by all claimants under this subsection and ss. 71.07 (5e), 71.28 (5e), and ~~77.54 (48)~~
10 77.585 (9) is \$7,500,000, as determined by the department of commerce.

11 ***-1992/1.9* SECTION 149.** 71.49 (1) (db) of the statutes is created to read:

12 71.49 (1) (db) Super research and development credit under s. 71.47 (4m).

13 ***-1942/P1.20* SECTION 150.** 71.49 (1) (em) of the statutes is renumbered 71.49
14 (1) (eh).

15 ***-1942/P1.21* SECTION 151.** 71.49 (1) (ema) of the statutes is created to read:

16 71.49 (1) (ema) Economic development tax credit under s. 71.47 (1dy).

17 ***-1942/P1.22* SECTION 152.** 71.49 (1) (emb) of the statutes is renumbered
18 71.49 (1) (ei).

19 ***-1942/P1.23* SECTION 153.** 71.49 (1) (en) of the statutes is renumbered 71.49
20 (1) (ej).

21 ***-1942/P1.24* SECTION 154.** 71.49 (1) (eo) of the statutes is renumbered 71.49
22 (1) (ek).

23 ***-1942/P1.25* SECTION 155.** 71.49 (1) (eom) of the statutes is renumbered
24 71.49 (1) (eL).

25 ***-1948/P1.13* SECTION 156.** 71.49 (1) (f) of the statutes is amended to read:

1 71.49 (1) (f) The total of farmers' drought property tax credit under s. 71.47
2 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under
3 s. 71.47 (2m), dairy manufacturing facility investment credit under s. 71.47 (3p),
4 meat processing facility investment credit under s. 71.47 (3r), enterprise zone jobs
5 credit under s. 71.47 (3w), film production services credit under s. 71.47 (5f) (b) 2.,
6 and estimated tax payments under s. 71.48.

7 *~~-0377/P10.14~~* *~~-4294/P1.14~~* SECTION 157. 73.03 (28e) of the statutes is
8 created to read:

9 73.03 (28e) To participate as a member state of the streamlined sales tax
10 governing board which administers the agreement, as defined in s. 77.65 (2) (a), and
11 includes having the governing board enter into contracts that are necessary to
12 implement the agreement on behalf of the member states, and to allocate a portion
13 of the amount collected under ch. 77 through the agreement to the appropriation
14 under s. 20.566 (1) (ho) to pay the dues necessary to participate in the governing
15 board. The department shall allocate the remainder of such collections to the general
16 fund.

17 *~~-0377/P10.15~~* *~~-4294/P1.15~~* SECTION 158. 73.03 (50) (d) of the statutes is
18 amended to read:

19 73.03 (50) (d) In the case of a sole proprietor, signs the form or, in the case of
20 other persons, has an individual who is authorized to act on behalf of the person sign
21 the form, or, in the case of a single-owner entity that is disregarded as a separate
22 entity under section 7701 of the Internal Revenue Code, the person is the owner. Any
23 person who may register under this subsection may designate an agent, as defined
24 in s. 77.524 (1) (ag), to register with the department under this subsection in the

1 manner prescribed by the department. In this paragraph, "sign" has the meaning
2 given in s. 77.51 (17r).

3 ***-0377/P10.16*** ***-4294/P1.16*** **SECTION 159.** 73.03 (50b) of the statutes is
4 created to read:

5 73.03 (50b) To waive the fee established under sub. (50) for applying for and
6 renewing the business tax registration certificate, if the person who is applying for
7 or renewing the certificate is not required for purposes of ch. 77 to hold such a
8 certificate.

9 ***-0377/P10.17*** ***-4294/P1.17*** **SECTION 160.** 73.03 (61) of the statutes is
10 created to read:

11 73.03 (61) To do all of the following related to the Uniform Sales and Use Tax
12 Administration Act:

13 (a) Certify compliance with the agreement, as defined in s. 77.65 (2) (a).

14 (b) Pursuant to the agreement, as defined in s. 77.65 (2) (a), certify certified
15 service providers, as defined in s. 77.51 (1g), and certified automated systems, as
16 defined in s. 77.524 (1) (am).

17 (c) Consistent with the agreement, as defined in s. 77.65 (2) (a), establish
18 performance standards and eligibility criteria for a seller that sells tangible personal
19 property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable
20 services in at least 5 states that are signatories to the agreement, as defined in s.
21 77.65 (2) (a); that has total annual sales revenue of at least \$500,000,000; that has
22 a proprietary system that calculates the amount of tax owed to each taxing
23 jurisdiction in which the seller sells tangible personal property, or items, property,
24 or goods under s. 77.52 (1) (b), (c), or (d) or taxable services; and that has entered into
25 a performance agreement with the states that are signatories to the agreement, as

1 defined in s. 77.65 (2) (a). For purposes of this paragraph, "seller" includes an
2 affiliated group of sellers using the same proprietary system to calculate the amount
3 of tax owed in each taxing jurisdiction in which the sellers sell tangible personal
4 property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable
5 services.

6 (d) Issue a tax identification number to a person who claims an exemption
7 under subch. III or V of ch. 77 and who is not required to register with the department
8 for the purposes of subch. III or V of ch. 77 and establish procedures for the
9 registration of such a person.

10 (e) Maintain a database that is accessible to sellers and certified service
11 providers, as defined in s. 77.51 (1g), that indicates whether items defined in
12 accordance with the agreement, as defined in s. 77.65 (2) (a), are taxable or
13 nontaxable.

14 (f) Maintain a database that is accessible to sellers and certified service
15 providers, as defined in s. 77.51 (1g), and available in a downloadable format
16 approved by the governing board of the agreement, as defined in s. 77.65 (2) (a), that
17 indicates tax rates, taxing jurisdiction boundaries, and zip code or address
18 assignments related to the administration of taxes imposed under subchs. III and V
19 of ch. 77. The database shall be provided at no cost and be available to sellers and
20 certified service providers, as defined in s. 77.51 (1g), no later than the first day of
21 the month prior to the first day of the calendar quarter.

22 (g) Set forth the information that the seller shall provide to the department for
23 tax exemptions claimed by purchasers and establish the manner in which a seller
24 shall provide such information to the department.

1 (h) Provide monetary allowances, in addition to the retailer's discount provided
2 under s. 77.61 (4) (c), to certified service providers, as defined in s. 77.51 (1g), and
3 sellers that use certified automated systems, as defined in s. 77.524 (1) (am), or
4 proprietary systems, pursuant to the agreement, as defined in s. 77.65 (2) (a).

5 **SECTION 161.** 73.03 (63) of the statutes is amended to read:

6 73.03 (63) Notwithstanding the amount limitations specified under ss. 71.07
7 (5b) (c) 1. and (5d) (c) 1., 71.28 (5b) (c) 1., 71.47 (5b) (c) 1., 76.638 (3), and 560.205 (3)
8 (d), in consultation with the department of commerce, to carry forward to subsequent
9 taxable years unclaimed credit amounts of the early stage seed investment credits
10 under ss. 71.07 (5b), 71.28 (5b), and 71.47 (5b), and 76.638 and the angel investment
11 credit under s. 71.07 (5d). Annually, no later than July 1, the department of
12 commerce shall submit to the department of revenue its recommendations for the
13 carry forward of credit amounts as provided under this subsection.

14 ***-1896/1.5* SECTION 162.** 73.0301 (1) (d) 6. of the statutes is amended to read:

15 73.0301 (1) (d) 6. A license or certificate of registration issued by the
16 department of financial institutions, or a division of it, under ss. 138.09, 138.12,
17 217.06, 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93 or
18 under subch. IV of ch. 551.

19 ***-0377/P10.18* *-4294/P1.18* SECTION 163.** 76.07 (4g) (b) 8. of the statutes
20 is amended to read:

21 76.07 (4g) (b) 8. Determine transport-related revenue by adding public service
22 revenue allocated to this state on the basis of routes for which the company is
23 authorized to receive subsidy payments, mutual aid allocated to this state on the
24 basis of the ratio of transport revenues allocated to this state to transport revenues
25 everywhere in the previous year, in-flight sales allocated to this state as they are

1 allocated under s. ~~77.51(14r)~~ 77.522 and all other transport-related revenues from
2 sales made in this state.

3 ***-1942/P1.26* SECTION 164.** 76.637 of the statutes is created to read:

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

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

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

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

25 **SECTION 165.** 76.638 of the statutes is created to read:

1 **76.638 Early stage seed investment credit.** (1) DEFINITIONS. In this
2 section, "fund manager" means an investment fund manager certified under s.
3 560.205 (2).

4 (2) FILING CLAIMS. For taxable years beginning after December 31, 2008,
5 subject to the limitations provided under this subsection and s. 560.205, an insurer
6 may claim as a credit against the fees imposed under s. 76.60, 76.63, 76.65, 76.66,
7 or 76.67, 25 percent of the insurer's investment paid to a fund manager that the fund
8 manager invests in a business certified under s. 560.205 (1).

9 (3) LIMITATIONS. Except as provided in s. 73.03 (63), the maximum amount of
10 the credits that may be claimed under this section and ss. 71.07 (5b), 71.28 (5b), and
11 71.47 (5b) for all taxable years combined is \$52,500,000.

12 (4) INVESTMENT BASIS. The Wisconsin adjusted basis of any investment for
13 which a credit is claimed under sub. (2) shall be reduced by the amount of the credit
14 that is offset against the fees imposed under s. 76.60, 76.63, 76.65, 76.66, or 76.67.

15 (5) CARRY-FORWARD. If the credit under sub. (2) is not entirely offset against the
16 fees under s. 76.60, 76.63, 76.65, 76.66, or 76.67 otherwise due, the unused balance
17 may be carried forward and credited against those fees for the following 15 years to
18 the extent that it is not offset by those fees otherwise due in all the years between
19 the year in which the expense was made and the year in which the carry-forward
20 credit is claimed.

21 *-1942/P1.27* SECTION 166. 76.67 (2) of the statutes is amended to read:

22 76.67 (2) If any domestic insurer is licensed to transact insurance business in
23 another state, this state may not require similar insurers domiciled in that other
24 state to pay taxes greater in the aggregate than the aggregate amount of taxes that
25 a domestic insurer is required to pay to that other state for the same year less the

1 credits under ss. 76.635, 76.636, and 76.655, except that the amount imposed shall
2 not be less than the total of the amounts due under ss. 76.65 (2) and 601.93 and, if
3 the insurer is subject to s. 76.60, 0.375% of its gross premiums, as calculated under
4 s. 76.62, less offsets allowed under s. 646.51 (7) or under ss. 76.635, 76.636, 76.637,
5 76.638, and 76.655 against that total, and except that the amount imposed shall not
6 be less than the amount due under s. 601.93.

7 ***-0377/P10.19*** ***-4294/P1.19*** **SECTION 167.** 77.51 (1) of the statutes is
8 renumbered 77.51 (1fd) and amended to read:

9 77.51 (1fd) "Business" includes any activity engaged in by any person or caused
10 to be engaged in by any person with the object of gain, benefit or advantage, either
11 direct or indirect, and includes also the furnishing and distributing of tangible
12 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
13 taxable services for a consideration by social clubs and fraternal organizations to
14 their members or others.

15 ***-0377/P10.20*** **SECTION 168.** 77.51 (1a) of the statutes is created to read:

16 77.51 (1a) "Additional digital goods" means video greeting cards sent by
17 electronic mail, finished artwork, periodicals, and video or electronic games. For
18 purposes of this subchapter, the sale of or the storage, use, or other consumption of
19 a digital code is treated the same as the sale of or the storage, use, or other
20 consumption of any additional digital goods for which the digital code relates.

21 ***-0377/P10.21*** ***-4294/P1.20*** **SECTION 169.** 77.51 (1b) of the statutes is
22 created to read:

23 77.51 (1b) "Alcoholic beverage" means a beverage that is suitable for human
24 consumption and that contains 0.5 percent or more of alcohol by volume.

1 ***-0377/P10.22* *-4294/P1.21* SECTION 170.** 77.51 (1ba) of the statutes is
2 created to read:

3 **77.51 (1ba)** “Ancillary services” means services that are associated with or
4 incidental to providing telecommunications services, including detailed
5 telecommunications billing, directory assistance, vertical service, and voice mail
6 services.

7 ***-0377/P10.23* *-4294/P1.22* SECTION 171.** 77.51 (1f) of the statutes is
8 created to read:

9 **77.51 (1f)** “Bundled transaction” means the retail sale of 2 or more products,
10 not including real property and services to real property, if the products are distinct
11 and identifiable products and sold for one nonitemized price. “Bundled transaction”
12 does not include any of the following:

13 (a) The sale of any products for which the sales price varies or is negotiable
14 based on the purchaser’s selection of the products included in the transaction.

15 (b) 1. The retail sale of tangible personal property and a service, if the tangible
16 personal property is essential to the use of the service, and provided exclusively in
17 connection with the service, and if the true object of the transaction is the service.

18 2. The retail sale of a service and items, property, or goods under s. 77.52 (1)
19 (b), (c), or (d), if such items, property, or goods are essential to the use of the service,
20 and provided exclusively in connection with the service, and if the true object of the
21 transaction is the service.

22 (c) The retail sale of services, if one of the services is essential to the use or
23 receipt of another service, and provided exclusively in connection with the other
24 service, and if the true object of the transaction is the other service.

1 (d) A transaction that includes taxable and nontaxable products, if the seller's
2 purchase price or the sales price of the taxable products is no greater than 10 percent
3 of the seller's total purchase price or sales price of all the bundled products, as
4 determined by the seller using either the seller's purchase price or sales price, but
5 not a combination of both, or, in the case of a service contract, the full term of the
6 service contract.

7 (e) The retail sale of taxable tangible personal property, or items, property, or
8 goods under s. 77.52 (1) (b), (c), or (d) and tangible personal property, or items,
9 property, or goods under s. 77.52 (1) (b), (c), or (d) that is exempt from the taxes
10 imposed under this subchapter, if the transaction includes food and food ingredients,
11 drugs, durable medical equipment, mobility-enhancing equipment, prosthetic
12 devices, or medical supplies and if the seller's purchase price or the sales price of the
13 taxable tangible personal property, or items, property, or goods under s. 77.52 (1) (b),
14 (c), or (d) is no greater than 50 percent of the seller's total purchase price or sales price
15 of all the tangible personal property, or items, property, or goods under s. 77.52 (1)
16 (b), (c), or (d) included in what would otherwise be a bundled transaction, as
17 determined by the seller using either the seller's purchase price or the sales price,
18 but not a combination of both.

19 ***-0377/P10.24* *-4294/P1.23* SECTION 172.** 77.51 (1fm) of the statutes is
20 created to read:

21 77.51 (1fm) "Candy" means a preparation of sugar, honey, or other natural or
22 artificial sweetener combined with chocolate, fruit, nuts, or other ingredients or
23 flavorings in the form of bars, drops, or pieces. "Candy" does not include a
24 preparation that contains flour or that requires refrigeration.

1 ***-0377/P10.25* *-4294/P1.24* SECTION 173.** 77.51 (1n) of the statutes is
2 created to read:

3 77.51 (1n) "Computer" means an electronic device that accepts information in
4 digital or similar form and that manipulates such information to achieve a result
5 based on a sequence of instructions.

6 ***-0377/P10.26* *-4294/P1.25* SECTION 174.** 77.51 (1p) of the statutes is
7 created to read:

8 77.51 (1p) "Computer software" means a set of coded instructions designed to
9 cause a computer or automatic data processing equipment to perform a task.

10 ***-0377/P10.27* SECTION 175.** 77.51 (1pd) of the statutes is created to read:

11 77.51 (1pd) "Computer software maintenance contract" means a contract that
12 obligates a vendor of computer software to provide a customer with future updates
13 or upgrades to computer software, computer software support services, or both.

14 ***-0377/P10.28* *-4294/P1.26* SECTION 176.** 77.51 (1r) of the statutes is
15 created to read:

16 77.51 (1r) "Conference bridging service" means an ancillary service that links
17 2 or more participants of an audio or video conference call and may include providing
18 a telephone number, but does not include the telecommunications services used to
19 reach the conference bridge.

20 ***-0377/P10.29* *-4294/P1.27* SECTION 177.** 77.51 (2k) of the statutes is
21 created to read:

22 77.51 (2k) "Delivered electronically" means delivered to a purchaser by means
23 other than by tangible storage media.

24 ***-0377/P10.30* *-4294/P1.28* SECTION 178.** 77.51 (2m) of the statutes is
25 created to read:

1 77.51 (2m) “Delivery charges” means charges by a seller to prepare and deliver
2 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
3 (d), or services to a location designated by the purchaser of the tangible personal
4 property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services,
5 including charges for transportation, shipping, postage, handling, crating, and
6 packing.

7 ***-0377/P10.31*** ***-4294/P1.29*** SECTION 179. 77.51 (3c) of the statutes is
8 created to read:

9 77.51 (3c) “Detailed telecommunications billing service” means an ancillary
10 service that separately indicates information pertaining to individual calls on a
11 customer’s billing statement.

12 ***-0377/P10.32*** ***-4294/P1.30*** SECTION 180. 77.51 (3n) of the statutes is
13 created to read:

14 77.51 (3n) “Dietary supplement” means a product, other than tobacco, that is
15 intended to supplement a person’s diet, if all of the following apply:

16 (a) The product contains any of the following ingredients or any combination
17 of any of the following ingredients:

- 18 1. A vitamin.
- 19 2. A mineral.
- 20 3. An herb or other botanical.
- 21 4. An amino acid.
- 22 5. A dietary substance that is intended for human consumption to supplement
23 the diet by increasing total dietary intake.
- 24 6. A concentrate, metabolite, constituent, or extract.

1 (b) The product is intended for ingestion in tablet, capsule, powder, soft-gel,
2 gel-cap, or liquid form, or, if not intended for ingestion in such forms, is not
3 represented as conventional food and is not represented for use as the sole item of
4 a meal or diet.

5 (c) The product is required to be labeled as a dietary supplement as required
6 under 21 CFR 101.36.

7 ***-0377/P10.33* SECTION 181.** 77.51 (3p) of the statutes is created to read:

8 77.51 (3p) "Digital audiovisual works" means a series of related images that,
9 when shown in succession, impart an impression of motion, along with
10 accompanying sounds, if any, and that are transferred electronically. "Digital
11 audiovisual works" includes motion pictures, musical videos, news and
12 entertainment programs, and live events, but does not include video greeting cards
13 or video or electronic games.

14 ***-0377/P10.34* SECTION 182.** 77.51 (3pa) of the statutes is created to read:

15 77.51 (3pa) "Digital audio works" means works that result from the fixation
16 of a series of musical, spoken, or other sounds that are transferred electronically,
17 including prerecorded or live music, prerecorded or live readings of books or other
18 written materials, prerecorded or live speeches, ringtones, or other sound recordings
19 but not including audio greeting cards sent by electronic mail.

20 ***-0377/P10.35* SECTION 183.** 77.51 (3pb) of the statutes is created to read:

21 77.51 (3pb) "Digital books" means works that are generally recognized in the
22 ordinary and usual sense as books and are transferred electronically. "Digital books"
23 includes any literary work, other than a digital audio work or digital audiovisual
24 work, that is expressed in words, numbers, or other verbal or numerical symbols or
25 indicia, if the literary work is generally recognized in the ordinary and usual sense

1 as a book, work of fiction or nonfiction, or a short story, but does not include
2 newspapers or other news or information products, periodicals, chat room
3 discussions, or blogs.

4 ***-0377/P10.36* SECTION 184.** 77.51 (3pc) of the statutes is created to read:

5 77.51 (3pc) "Digital code" means a code that provides the person who holds the
6 code a right to obtain an additional digital good, a digital audiovisual work, digital
7 audio work, or digital book and that may be obtained by any means, including
8 tangible forms and electronic mail, regardless of whether the code is designated as
9 song code, video code, or book code. "Digital code" includes codes used to access or
10 obtain any specified digital goods, or any additional digital goods that have been
11 previously purchased, and promotion cards or codes that are purchased by a retailer
12 or other business entity for use by the retailer's or entity's customers. "Digital code"
13 does not include the following:

14 (a) A code that represents any redeemable card, gift card, or gift certificate that
15 entitles the holder of such card or certificate to select any specified digital goods or
16 additional digital goods at the cash value indicated by the card or certificate.

17 (b) Digital cash that represents a monetary value that a customer may use to
18 pay for a future purchase.

19 ***-0377/P10.37* *-4294/P1.31* SECTION 185.** 77.51 (3pd) of the statutes is
20 created to read:

21 77.51 (3pd) "Direct mail" means printed material that is delivered or
22 distributed by the U.S. postal service or other delivery service to a mass audience or
23 to addressees on a mailing list provided by or at the direction of the purchaser of the
24 printed material, if the cost of the printed material or any tangible personal property
25 or items, property, or goods under s. 77.52 (1) (b), (c), or (d) included with the printed

1 material is not billed directly to the recipients of the printed material. "Direct mail"
2 includes any tangible personal property, or items, property, or goods under s. 77.52
3 (1) (b), (c), or (d) provided directly or indirectly by the purchaser of the printed
4 material to the seller of the printed material for inclusion in any package containing
5 the printed material, including billing invoices, return envelopes, and additional
6 marketing materials. "Direct mail" does not include multiple items of printed
7 material delivered to a single address.

8 ***-0377/P10.38* *-4294/P1.32* SECTION 186.** 77.51 (3pe) of the statutes is
9 created to read:

10 77.51 (3pe) "Directory assistance" means an ancillary service that provides
11 telephone numbers or addresses.

12 ***-0377/P10.39* *-4294/P1.33* SECTION 187.** 77.51 (3pf) of the statutes is
13 created to read:

14 77.51 (3pf) "Distinct and identifiable product" does not include any of the
15 following:

16 (a) Packaging, including containers, boxes, sacks, bags, bottles, and envelopes;
17 and other materials, including wrapping, labels, tags, and instruction guides; that
18 accompany, and are incidental or immaterial to, the retail sale of any product.

19 (b) A product that is provided free of charge to the consumer in conjunction with
20 the required purchase of another product, if the sales price of the other product does
21 not vary depending on whether the product provided free of charge is included in the
22 transaction.

23 (c) Any items specified under sub. (12m) (a) or (15b) (a).

24 ***-0377/P10.40* *-4294/P1.34* SECTION 188.** 77.51 (3pj) of the statutes is
25 created to read:

1 77.51 (3pj) "Drug" means a compound, substance, or preparation, or any
2 component of them, other than food and food ingredients, dietary supplements, or
3 alcoholic beverages, to which any of the following applies:

4 (a) It is listed in the United States Pharmacopoeia, Homeopathic
5 Pharmacopoeia of the United States, or National Formulary, or any supplement to
6 any of them.

7 (b) It is intended for use in diagnosing, curing, mitigating, treating, or
8 preventing a disease.

9 (c) It is intended to affect a function or structure of the body.

10 *-0377/P10.41* *-4294/P1.35* SECTION 189. 77.51 (3pm) of the statutes is
11 created to read:

12 77.51 (3pm) "Durable medical equipment" means equipment, including the
13 repair parts and replacement parts for the equipment that is primarily and
14 customarily used for a medical purpose related to a person; that can withstand
15 repeated use; that is not generally useful to a person who is not ill or injured; and that
16 is not placed in or worn on the body. "Durable medical equipment" does not include
17 mobility-enhancing equipment.

18 *-0377/P10.42* *-4294/P1.36* SECTION 190. 77.51 (3pn) of the statutes is
19 created to read:

20 77.51 (3pn) "Eight hundred service" means a telecommunications service that
21 allows a caller to dial a toll-free number without incurring a charge for the call and
22 is marketed under "800," "855," "866," "877," or "888" toll-free calling, or any other
23 number designated as toll-free by the federal communications commission.

24 *-0377/P10.43* *-4294/P1.37* SECTION 191. 77.51 (3po) of the statutes is
25 created to read:

1 77.51 (3po) "Electronic" means relating to technology having electrical, digital,
2 magnetic, wireless, optical, electromagnetic, or similar capabilities.

3 *-0377/P10.44* SECTION 192. 77.51 (3rm) of the statutes is created to read:

4 77.51 (3rm) "Finished artwork" means the final art used for actual
5 reproduction by photomechanical or other processes or for display purposes.

6 "Finished artwork" also includes all of the following items regardless of whether such
7 items are reproduced:

8 (a) Drawings.

9 (b) Paintings.

10 (c) Designs.

11 (d) Photographs.

12 (e) Lettering.

13 (f) Paste-ups.

14 (g) Mechanicals.

15 (h) Assemblies.

16 (i) Charts.

17 (j) Graphs.

18 (k) Illustrative materials.

19 *-0377/P10.45* *-4294/P1.38* SECTION 193. 77.51 (3rn) of the statutes is
20 created to read:

21 77.51 (3rn) "Fixed wireless service" means a telecommunications service that
22 provides radio communication between fixed points.

23 *-0377/P10.46* *-4294/P1.39* SECTION 194. 77.51 (3t) of the statutes is
24 created to read:

1 77.51 (3t) "Food and food ingredient" means a substance in liquid,
2 concentrated, solid, frozen, dried, or dehydrated form, that is sold for ingestion, or
3 for chewing, by humans and that is ingested or chewed for its taste or nutritional
4 value. "Food and food ingredient" does not include alcoholic beverages or tobacco.

5 *-0377/P10.47* *-4294/P1.40* SECTION 195. 77.51 (4) of the statutes is
6 repealed.

7 *-0377/P10.48* *-4294/P1.41* SECTION 196. 77.51 (5) of the statutes is
8 amended to read:

9 77.51 (5) For purposes of subs. (13) (e) and (f) and ~~(14) (L)~~ (15a) and s. 77.52
10 (2m), "incidental" means depending upon or appertaining to something else as
11 primary; something necessary, appertaining to, or depending upon another which is
12 termed the principal; or something incidental to the main purpose of the service.
13 Tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c), or
14 (d) transferred by a service provider is incidental to the service if the purchaser's
15 main purpose or objective is to obtain the service rather than the property, items, or
16 goods, even though the property, items, or goods may be necessary or essential to
17 providing the service.

18 *-0377/P10.49* *-4294/P1.42* SECTION 197. 77.51 (5d) of the statutes is
19 created to read:

20 77.51 (5d) "International telecommunications services" means
21 telecommunications services that originate or terminate in the United States,
22 including the District of Columbia and any U.S. territory or possession and originate
23 or terminate outside of the United States, including the District of Columbia and any
24 U.S. territory or possession.

1 ***-0377/P10.50* *-4294/P1.43* SECTION 198.** 77.51 (5n) of the statutes is
2 created to read:

3 77.51 (5n) “Interstate telecommunications services” means
4 telecommunications services that originate in one state or U.S. territory or
5 possession and terminate in a different state or U.S. territory or possession.

6 ***-0377/P10.51* *-4294/P1.44* SECTION 199.** 77.51 (5r) of the statutes is
7 created to read:

8 77.51 (5r) “Intrastate telecommunications services” means
9 telecommunications services that originate in one state or U.S. territory or
10 possession and terminate in the same state or U.S. territory or possession.

11 ***-0377/P10.52* SECTION 200.** 77.51 (6m) of the statutes is renumbered 77.51
12 (5m) and amended to read:

13 77.51 (5m) For purposes of s. ~~77.54 (48)~~ 77.585 (9), “Internet equipment used
14 in the broadband market” means equipment that is capable of transmitting data
15 packets or Internet signals at speeds of at least 200 kilobits per second in either
16 direction.

17 ***-0377/P10.53* *-4294/P1.46* SECTION 201.** 77.51 (7) of the statutes is
18 repealed and recreated to read:

19 77.51 (7) (a) “Lease or rental” means any transfer of possession or control of
20 tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c), or
21 (d) for a fixed or indeterminate term and for consideration and includes:

22 1. A transfer that includes future options to purchase or extend.

23 2. Agreements related to the transfer of possession or control of motor vehicles
24 or trailers, if the amount of any consideration may be increased or decreased by

1 reference to the amount realized on the sale or other disposition of such motor
2 vehicles or trailers, consistent with section 7701 (h) (1) of the Internal Revenue Code.

3 (b) "Lease or rental" does not include any of the following:

4 1. A transfer of possession or control of tangible personal property or items,
5 property, or goods under s. 77.52 (1) (b), (c), or (d) under a security agreement or
6 deferred payment plan, if such agreement or plan requires transferring title to the
7 tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c), or
8 (d) after making all required payments.

9 2. A transfer of possession or control of tangible personal property or items,
10 property, or goods under s. 77.52 (1) (b), (c), or (d) under any agreement that requires
11 transferring title to the tangible personal property or items, property, or goods under
12 s. 77.52 (1) (b), (c), or (d) after making all required payments and after paying an
13 option price that does not exceed the greater of \$100 or 1 percent of the total amount
14 of the required payments.

15 3. Providing tangible personal property or items, property, or goods under s.
16 77.52 (1) (b), (c), or (d) along with an operator, if the operator is necessary for the
17 tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c), or
18 (d) to perform in the manner for which it is designed and if the operator does more
19 than maintain, inspect, or set up the tangible personal property or items, property,
20 or goods under s. 77.52 (1) (b), (c), or (d).

21 (c) 1. Transfers described under par. (a) are considered a lease or rental,
22 regardless of whether such transfer is considered a lease or rental under generally
23 accepted accounting principles, or any provision of federal or local law, or any other
24 provision of state law.

1 2. Transfers described under par. (b) are not considered a lease or rental,
2 regardless of whether such transfer is considered a lease or rental under generally
3 accepted accounting principles, or any provision of federal or local law, or any other
4 provision of state law.

5 ***-0377/P10.54*** ***-4294/P1.47*** **SECTION 202.** 77.51 (7g) of the statutes is
6 created to read:

7 77.51 (7g) "Load-and-leave" means delivery to a purchaser by using a tangible
8 storage media that is not physically transferred to the purchaser.

9 ***-0377/P10.55*** ***-4294/P1.48*** **SECTION 203.** 77.51 (7k) of the statutes is
10 created to read:

11 77.51 (7k) "Mobile wireless service" means a telecommunications service for
12 which the origination or termination points of the service's transmission,
13 conveyance, or routing are not fixed, regardless of the technology used to transmit,
14 convey, or route the service. "Mobile wireless service" includes a telecommunications
15 service provided by a commercial mobile radio service provider.

16 ***-0377/P10.56*** ***-4294/P1.49*** **SECTION 204.** 77.51 (7m) of the statutes is
17 created to read:

18 77.51 (7m) "Mobility-enhancing equipment" means equipment, including the
19 repair parts and replacement parts for the equipment, that is primarily and
20 customarily used to provide or increase the ability of a person to move from one place
21 to another; that may be used in a home or motor vehicle; and that is generally not
22 used by a person who has normal mobility. "Mobility-enhancing equipment" does
23 not include a motor vehicle or any equipment on a motor vehicle that is generally
24 provided by a motor vehicle manufacturer. "Mobility-enhancing equipment" does
25 not include durable medical equipment.

1 ***-0377/P10.57* *-4294/P1.50* SECTION 205.** 77.51 (8m) of the statutes is
2 created to read:

3 77.51 (8m) "Nine hundred service" means an inbound toll telecommunications
4 service purchased by a subscriber that allows the subscriber's customers to call the
5 subscriber's prerecorded announcement or live service. "Nine hundred service" does
6 not include any charge for collection services provided by the seller of the
7 telecommunications services to the subscriber or for any product or service the
8 subscriber sells to the subscriber's customers. A "nine hundred service" is
9 designated with the "900" number or any other number designated by the federal
10 communications commission.

11 ***-0377/P10.58* *-4294/P1.51* SECTION 206.** 77.51 (9) (a) of the statutes is
12 amended to read:

13 77.51 (9) (a) Isolated and sporadic sales of tangible personal property, or items,
14 property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable services where the
15 infrequency, in relation to the other circumstances, including the sales price and the
16 gross profit, support the inference that the seller is not pursuing a vocation,
17 occupation or business or a partial vocation or occupation or part-time business as
18 a vendor of personal property, or items, property, or goods under s. 77.52 (1) (b), (c),
19 or (d), or taxable services. No sale of any tangible personal property, or items,
20 property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable service may be deemed
21 an occasional sale if at the time of such sale the seller holds or is required to hold a
22 seller's permit, except that this provision does not apply to an organization required
23 to hold a seller's permit solely for the purpose of conducting bingo games and except
24 as provided in par. (am).

1 ***-0377/P10.59* *-4294/P1.52* SECTION 207.** 77.51 (9) (am) of the statutes is
2 amended to read:

3 77.51 (9) (am) The sale of personal property or items, property, or goods under
4 s. 77.52 (1) (b), (c), or (d), other than inventory held for sale, previously used by a
5 seller to conduct its trade or business at a location after that person has ceased
6 actively operating in the regular course of business as a seller of tangible personal
7 property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable
8 services at that location, even though the seller holds a seller's permit for one or more
9 other locations.

10 ***-0377/P10.60* *-4294/P1.53* SECTION 208.** 77.51 (9p) of the statutes is
11 created to read:

12 77.51 (9p) "One nonitemized price" does not include a price that is separately
13 identified by product on a binding sales document, or other sales-related document,
14 that is made available to the customer in paper or electronic form, including an
15 invoice, a bill of sale, a receipt, a contract, a service agreement, a lease agreement,
16 a periodic notice of rates and services, a rate card, or a price list.

17 ***-0377/P10.61* *-4294/P1.54* SECTION 209.** 77.51 (9s) of the statutes is
18 created to read:

19 77.51 (9s) "Paging service" means a telecommunications service that transmits
20 coded radio signals to activate specific pagers and may include messages or sounds.

21 ***-0377/P10.62* *-4294/P1.55* SECTION 210.** 77.51 (10) of the statutes is
22 amended to read:

23 77.51 (10) "Person" includes any natural person, firm, partnership, limited
24 liability company, joint venture, joint stock company, association, public or private
25 corporation, the United States, the state, including any unit or division of the state,

1 any county, city, village, town, municipal utility, municipal power district or other
2 governmental unit, cooperative, unincorporated cooperative association, estate,
3 trust, receiver, personal representative, any other fiduciary, any other legal entity,
4 and any representative appointed by order of any court or otherwise acting on behalf
5 of others. "Person" also includes the owner of a single-owner entity that is
6 disregarded as a separate entity under ch. 71.

7 ***-0377/P10.63* *-4294/P1.56* SECTION 211.** 77.51 (10d) of the statutes is
8 created to read:

9 77.51 (10d) "Prepaid calling service" means the right to exclusively access
10 telecommunications services, if that right is paid for in advance of providing such
11 services, requires using an access number or authorization code to originate calls,
12 and is sold in predetermined units or dollars that decrease with use in a known
13 amount.

14 ***-0377/P10.64* *-4294/P1.57* SECTION 212.** 77.51 (10f) of the statutes is
15 created to read:

16 77.51 (10f) "Prepaid wireless calling service" means a telecommunications
17 service that provides the right to utilize mobile wireless service as well as other
18 nontelecommunications services, including the download of digital products
19 delivered electronically, content, and ancillary services, and that is paid for prior to
20 use and sold in predetermined dollar units whereby the number of units declines
21 with use in a known amount.

22 ***-0377/P10.65* *-4294/P1.58* SECTION 213.** 77.51 (10m) of the statutes is
23 created to read:

24 77.51 (10m) (a) "Prepared food" means:

- 25 1. Food and food ingredients sold in a heated state.

1 2. Food and food ingredients heated by the retailer, except as provided in par.
2 (b).

3 3. Food and food ingredients sold with eating utensils that are provided by the
4 retailer of the food and food ingredients, including plates, knives, forks, spoons,
5 glasses, cups, napkins, or straws. In this subdivision, "plate" does not include a
6 container or packaging used to transport food and food ingredients. For purposes of
7 this subdivision, a retailer provides utensils if any of the following applies:

8 a. The utensils are available to purchasers and the retailer's sales of prepared
9 food under subds. 1. and 2., soft drinks, and alcoholic beverages at an establishment
10 are more than 75 percent of the retailer's total sales at that establishment, as
11 determined under par. (c).

12 b. For retailers not described under subd. 3. a., the retailer's customary practice
13 is to physically give or hand the utensils to the purchaser, except that plates, glasses,
14 or cups that are necessary for the purchaser to receive the food and food ingredients
15 need only be made available to the purchaser.

16 4. Except as provided in par. (b), 2 or more food ingredients mixed or combined
17 by a retailer for sale as a single item.

18 (b) "Prepared food" does not include:

19 1. For purposes of par. (a) 2. and 4., 2 or more food ingredients mixed or
20 combined by a retailer for sale as a single item, if the retailer's primary classification
21 in the North American Industry Classification System, 2002 edition, published by
22 the federal office of management and budget, is manufacturing under subsector 311,
23 not including bakeries and tortilla manufacturing under industry group number
24 3118.