

ASSEMBLY BILL 864 (LRB -4443)

An Act to create 560.799 (5) (e) of the statutes; relating to: authorizing the Department of Commerce to certify for tax benefits a business located in an enterprise zone and having a Wisconsin supply chain. (FE)

2010

03-17. A. Introduced by Representatives **Zigmunt, Barca, Berceau, Clark, Fields, Jorgensen, Mason, Molepske Jr., Parisi, Pasch, Soletski and Zepnick**; cosponsored by Senators **Hansen and Taylor**.

03-17. A. Read first time and referred to committee on Jobs, the Economy and Small Business 756

03-23. A. Fiscal estimate received.

03-23. A. Assembly amendment 1 offered by Representatives Zigmunt and Molepske Jr. (**LRB a1856**) 762

03-24. A. Public hearing held.

03-30. A. Executive action taken.

03-31. A. Report Assembly Amendment 1 adoption recommended by committee on Jobs, the Economy and Small Business, Ayes 12, Noes 0 775

03-31. A. Report passage as amended recommended by committee on Jobs, the Economy and Small Business, Ayes 11, Noes 1 775

03-31. A. Referred to joint committee on Finance 775

04-07. A. Executive action taken.

04-07. A. Assembly amendment 2 offered by committee on Finance (**LRB a2025**) 789

04-07. A. Report Assembly Amendment 1 adoption recommended by joint committee on Finance, Ayes 15, Noes 0 791

04-07. A. Report Assembly Amendment 2 adoption recommended by joint committee on Finance, Ayes 13, Noes 1 791

04-07. A. Report passage as amended recommended by joint committee on Finance, Ayes 15, Noes 0 791

04-07. A. Referred to committee on Rules 791

04-07. A. Placed on calendar 4-13-2010 by committee on Rules.

04-13. A. Read a second time 818

04-13. A. **Assembly amendment 1 adopted** 818

04-13. A. **Assembly amendment 2 adopted** 818

04-13. A. Ordered to a third reading 818

04-13. A. Rules suspended 818

04-13. A. Read a third time and **passed**, Ayes 97, Noes 1 818

04-13. A. Ordered immediately messaged 818

04-14. S. Received from Assembly 714

04-14. S. Read first time and referred to committee on Economic Development 715

04-19. S. Public hearing held.

04-19. S. Executive action taken.

04-19. S. Report concurrence recommended by committee on Economic Development, Ayes 7, Noes 0.

04-19. S. Available for scheduling.

04-19. S. Placed on calendar 4-20-2010 pursuant to Senate Rule 18(1).

04-20. S. Read a second time.

04-20. S. Ordered to a third reading.

04-20. S. Rules suspended.

04-20. S. Read a third time and **concurred in**, Ayes 29, Noes 4.

04-20. S. Ordered immediately messaged.

04-20. A. Received from Senate concurred in.

SB

2009
ENROLLED BILL

09en A B-864

ADOPTED DOCUMENTS:

Orig Engr SubAmdt

09 - 4443/2

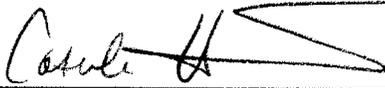
Amendments to above (if none, write "NONE"): AA1 - a1856/2

AA2 - a2025/1

Corrections - show date (if none, write "NONE"): 4/27/2010 (in enrolling)

Topic RELATING CLAUSE

4/21/2010
Date


Enrolling Drafter



2009 ASSEMBLY BILL 864

March 17, 2010 – Introduced by Representatives ZIGMUNT, BARCA, BERCEAU, CLARK, FIELDS, JORGENSEN, MASON, MOLEPSKE JR., PARISI, PASCH, SOLETSKI and ZEPNICK, cosponsored by Senators HANSEN and TAYLOR. Referred to Committee on Jobs, the Economy and Small Business.

- 1 **AN ACT to create** 560.799 (5) (e) of the statutes; **relating to:** authorizing the
- 2 Department of Commerce to certify for tax benefits a business located in an
- 3 enterprise zone and having a Wisconsin supply chain.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Commerce (Commerce) may designate an area as an enterprise zone and may certify a taxpayer who creates or retains jobs in or makes a capital investment in property located in an enterprise zone to claim certain credits against state income and franchise taxes.

This bill authorizes Commerce to certify a business that is located in an enterprise zone and that develops or maintains a significant supply chain with other businesses located in the state, as determined by Commerce.

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

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

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AAI-4

SECTION 560.799 (5) (e) of the statutes is created to read:

13 ← AAI-2

ASSEMBLY BILL 864

LRB-4443/2
TKK:nwn:md
SECTION 1
AAI-3
purchases

1 560.799 (5) (e) A business located in an enterprise zone if the business develops
2 or maintains a significant supply chain, as determined by the department, with one
3 or more other businesses located in this state.

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4

(END)

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AA2-1



**ASSEMBLY AMENDMENT 1,
TO 2009 ASSEMBLY BILL 864**

March 23, 2010 – Offered by Representatives ZIGMUNT and MOLEPSKE JR..

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 4: before that line insert:

3 ~~“SECTION 1. 71.07 (3w) (bm) 1. of the statutes, as affected by 2009 Wisconsin~~

4 Act 28, is amended to read:

5 71.07 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2. and,

6 3., and 4., and subject to the limitations provided in this subsection and s. 560.799,

7 a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an

8 amount equal to a percentage, as determined by the department of commerce, not

9 to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade

10 or improve the job-related skills of any of the claimant's full-time employees, to train

11 any of the claimant's full-time employees on the use of job-related new technologies,

12 or to provide job-related training to any full-time employee whose employment with

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AA1-5
1



1 the claimant represents the employee's first full-time job. This subdivision does not
2 apply to employees who do not work in an enterprise zone.

3 **SECTION 2.** 71.07 (3w) (bm) 2. of the statutes, as affected by 2009 Wisconsin Act
4 28, is amended to read:

5 71.07 (3w) (bm) 2. In addition to the credits under par. (b) and subs. 1. ~~and,~~
6 3., and 4., and subject to the limitations provided in this subsection and s. 560.799,
7 a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
8 amount equal to the percentage, as determined by the department of commerce
9 under s. 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the
10 taxable year to all of the claimant's full-time employees whose annual wages are
11 greater than \$20,000 in a tier I county or municipality, not including the wages paid
12 to the employees determined under par. (b) 1., or greater than \$30,000 in a tier II
13 county or municipality, not including the wages paid to the employees determined
14 under par. (b) 1., and who the claimant employed in the enterprise zone in the taxable
15 year, if the total number of such employees is equal to or greater than the total
16 number of such employees in the base year. A claimant may claim a credit under this
17 subdivision for no more than 5 consecutive taxable years.

18 **SECTION 3.** 71.07 (3w) (bm) 3. of the statutes, as created by 2009 Wisconsin Act
19 28, is amended to read:

20 71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subs. 1. ~~and,~~
21 2., and 4., and subject to the limitations provided in this subsection and s. 560.799,
22 for taxable years beginning after December 31, 2008, a claimant may claim as a
23 credit against the tax imposed under s. 71.02 or 71.08 up to 10 percent of the
24 claimant's significant capital expenditures, as determined by the department of
25 commerce under s. 560.799 (5m).



1 **SECTION 4.** 71.07 (3w) (bm) 4. of the statutes is created to read:

2 71.07 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
3 3., and subject to the limitations provided in this subsection and s. 560.799, for
4 taxable years beginning after December 31, 2009, a claimant may claim as a credit
5 against the tax imposed under s. 71.02 or 71.08, up to 1 percent of the amount that
6 the claimant paid in the taxable year to purchase tangible personal property, items,
7 property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors,
8 as determined by the department of commerce under s. 560.799 (5) (e), except that
9 the claimant may not claim the credit under this subdivision and subd. 3. for the
10 same expenditures.

11 **SECTION 5.** 71.28 (3w) (bm) 1. of the statutes, as affected by 2009 Wisconsin Act
12 28, is amended to read:

13 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2. and,
14 3., and 4., and subject to the limitations provided in this subsection and s. 560.799,
15 a claimant may claim as a credit against the tax imposed under s. 71.23 an amount
16 equal to a percentage, as determined by the department of commerce, not to exceed
17 100 percent, of the amount the claimant paid in the taxable year to upgrade or
18 improve the job-related skills of any of the claimant's full-time employees, to train
19 any of the claimant's full-time employees on the use of job-related new technologies,
20 or to provide job-related training to any full-time employee whose employment with
21 the claimant represents the employee's first full-time job. This subdivision does not
22 apply to employees who do not work in an enterprise zone.

23 **SECTION 6.** 71.28 (3w) (bm) 2. of the statutes, as affected by 2009 Wisconsin Act
24 28, is amended to read:



1 71.28 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1. ~~and~~,
2 3., and 4., and subject to the limitations provided in this subsection and s. 560.799,
3 a claimant may claim as a credit against the tax imposed under s. 71.23 an amount
4 equal to the percentage, as determined by the department of commerce under s.
5 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the taxable
6 year to all of the claimant's full-time employees whose annual wages are greater
7 than \$20,000 in a tier I county or municipality, not including the wages paid to the
8 employees determined under par. (b) 1., or greater than \$30,000 in a tier II county
9 or municipality, not including the wages paid to the employees determined under
10 par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year,
11 if the total number of such employees is equal to or greater than the total number
12 of such employees in the base year. A claimant may claim a credit under this
13 subdivision for no more than 5 consecutive taxable years.

14 **SECTION 7.** 71.28 (3w) (bm) 3. of the statutes, as created by 2009 Wisconsin Act
15 28, is amended to read:

16 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1. ~~and~~,
17 2., and 4., and subject to the limitations provided in this subsection and s. 560.799,
18 for taxable years beginning after December 31, 2008, a claimant may claim as a
19 credit against the tax imposed under s. 71.23 up to 10 percent of the claimant's
20 significant capital expenditures, as determined by the department of commerce
21 under s. 560.799 (5m).

22 **SECTION 8.** 71.28 (3w) (bm) 4. of the statutes is created to read:

23 71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
24 3., and subject to the limitations provided in this subsection and s. 560.799, for
25 taxable years beginning after December 31, 2009, a claimant may claim as a credit



1 against the tax imposed under s. 71.23, up to 1 percent of the amount that the
2 claimant paid in the taxable year to purchase tangible personal property, items,
3 property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors,
4 as determined by the department of commerce under s. 560.799 (5) (e), except that
5 the claimant may not claim the credit under this subdivision and subd. 3. for the
6 same expenditures.

7 **SECTION 9.** 71.47 (3w) (bm) 1. of the statutes, as affected by 2009 Wisconsin Act
8 28, is amended to read:

9 71.47 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2. and,
10 3., and 4., and subject to the limitations provided in this subsection and s. 560.799,
11 a claimant may claim as a credit against the tax imposed under s. 71.43 an amount
12 equal to a percentage, as determined by the department of commerce, not to exceed
13 100 percent, of the amount the claimant paid in the taxable year to upgrade or
14 improve the job-related skills of any of the claimant's full-time employees, to train
15 any of the claimant's full-time employees on the use of job-related new technologies,
16 or to provide job-related training to any full-time employee whose employment with
17 the claimant represents the employee's first full-time job. This subdivision does not
18 apply to employees who do not work in an enterprise zone.

19 **SECTION 10.** 71.47 (3w) (bm) 2. of the statutes, as affected by 2009 Wisconsin
20 Act 28, is amended to read:

21 71.47 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1. and,
22 3., and 4., and subject to the limitations provided in this subsection and s. 560.799,
23 a claimant may claim as a credit against the tax imposed under s. 71.43 an amount
24 equal to the percentage, as determined by the department of commerce under s.
25 560.799, not to exceed 7 percent, of the claimant's zone payroll paid in the taxable



1 year to all of the claimant's full-time employees whose annual wages are greater
2 than \$20,000 in a tier I county or municipality, not including the wages paid to the
3 employees determined under par. (b) 1., or greater than \$30,000 in a tier II county
4 or municipality, not including the wages paid to the employees determined under
5 par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year,
6 if the total number of such employees is equal to or greater than the total number
7 of such employees in the base year. A claimant may claim a credit under this
8 subdivision for no more than 5 consecutive taxable years.

9 **SECTION 11.** 71.47 (3w) (bm) 3. of the statutes, as created by 2009 Wisconsin
10 Act 28, is amended to read:

11 71.47 (3w) (bm) 3. In addition to the credits under par. (b) and subs. 1. ~~and,~~
12 2., and 4., and subject to the limitations provided in this subsection and s. 560.799,
13 for taxable years beginning after December 31, 2008, a claimant may claim as a
14 credit against the tax imposed under s. 71.43 up to 10 percent of the claimant's
15 significant capital expenditures, as determined by the department of commerce
16 under s. 560.799 (5m).

17 **SECTION 12.** 71.47 (3w) (bm) 4. of the statutes is created to read:

18 71.47 (3w) (bm) 4. In addition to the credits under par. (b) and subs. 1., 2., and
19 3., and subject to the limitations provided in this subsection and s. 560.799, for
20 taxable years beginning after December 31, 2009, a claimant may claim as a credit
21 against the tax imposed under s. 71.43, up to 1 percent of the amount that the
22 claimant paid in the taxable year to purchase tangible personal property, items,
23 property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors,
24 as determined by the department of commerce under s. 560.799 (5) (e), except that



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1 the claimant may not claim the credit under this subdivision and subd. 3. for the
2 same expenditures.”

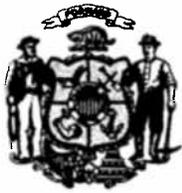
3 **2.** Page 1, line 4: delete “SECTION 1” and substitute “SECTION 13”.

4 **3.** Page 2, line 1: delete “develops” and substitute “purchases”.

5 **4.** Page 2, line 2: delete lines 2 and 3 and substitute “tangible personal
6 property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from
7 Wisconsin vendors, as determined by the department.”

8 (END)

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State of Wisconsin
2009-2010 LEGISLATURE

CORRECTIONS IN:

**ASSEMBLY AMENDMENT 2,
TO 2009 ASSEMBLY BILL 864**

Prepared by the Legislative Reference Bureau
(April 27, 2010)

In enrolling, the following correction was made:

1. Page 1, line 3: delete "1m" and substitute "14m".

(END)



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBa2025/1
JK:kjf.md

ASSEMBLY AMENDMENT 2,
TO 2009 ASSEMBLY BILL 864

April 7, 2010 - Offered by JOINT COMMITTEE ON FINANCE.

1 At the locations indicated, amend the bill as follows:

2 1. Page 2, line 3: after that line insert:

3 "SECTION 1m. Nonstatutory provisions.

4 (1) REQUIRED GENERAL FUND BALANCE. Section 20.003 (4) of the statutes does not
5 apply to the action of the legislature in enacting this act."

6 (END)

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AA2-1

14m - CCC-1