

2009 DRAFTING REQUEST

Bill

Received: **02/03/2010**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Amy Sue Vruwink (608) 266-8366**

By/Representing: **christian**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Business - credits**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Vruwink@legis.wisconsin.gov**

Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Dairy and livestock farm investment credit

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	jkreye 02/03/2010	jdyer 02/09/2010	rschluet 02/09/2010	_____	lparisi 02/09/2010		State
/1	jkreye 02/10/2010	jdyer 02/11/2010	jfrantze 02/11/2010	_____	sbasford 02/11/2010	cduerst 02/12/2010	State

FE Sent For: "/1" @ intro. 2/17/10

<END>

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FE Sent For:

1 2/11 jld *[Signature]* 2/11
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Addl. Drafters:

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Extra Copies:

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/P1	jkreye	PI 2 9 jld		_____			
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FE Sent For:

<END>

Kreye, Joseph

From: Plata, Christian
Sent: Wednesday, February 03, 2010 10:25 AM
To: Kreye, Joseph
Subject: FW: Dairy, FOOD PROCESSING AND WAREHOUSE INVESTMENT CREDITS Drafts

Attachments: FOOD PROCESSING AND WAREHOUSE INVESTMENT CREDITS.doc; dairy tax credit.doc

Joe,

Per our conversation

Thanks!

Christian

From: Romanski, Randy - DATCP [<mailto:Randy.Romanski@Wisconsin.gov>]
Sent: Wednesday, February 03, 2010 10:09 AM
To: Plata, Christian; Moll, Keeley A - DATCP
Cc: Phelps, Emily A - DATCP
Subject: FW: Dairy, FOOD PROCESSING AND WAREHOUSE INVESTMENT CREDITS Drafts

Christian,

Here are our drafts of the Food Processing and Dairy modernization tax credits. Hopefully this can get LRB started with their drafting. Please get them going on it.

One item to note is that the dairy tax credit is silent on a cap for claimants. The cap on the old tax credit (that is now expired) was \$50,000 per claimant. This new version of the dairy tax credit should include a cap of \$75,000 per claimant. Please let LRB know that and ask them to include it in the draft of the dairy tax credit.

Keeley will forward you some background on each of these that you can use if you get LRB questions.

Let's talk when you get these back. I'm waiting to hear from Vinehout's office about her being the Senate sponsor.

Randy

From: Fay, Dennis - DATCP
Sent: Tuesday, February 02, 2010 2:10 PM
To: Hughes, Will D - DATCP; Romanski, Randy - DATCP
Cc: Matson, James K - DATCP
Subject: Dairy, FOOD PROCESSING AND WAREHOUSE INVESTMENT CREDITS Drafts



FOOD PROCESSINGdairy tax credit.doc
AND WAREHOUSE .. (29 KB)

Will and Randy,

I believe the attached versions of the tax credit drafts address each of the issues raised in the email message you passed along to me on Monday. Following Will's instruction, the extension of the Dairy credit runs through December 31, 2011 while the new credit for food processing and warehouses runs through December 31, 2016.

Please look these drafts over to see if the drafts do exactly what is intended and please call if you have questions. When passing the drafts along to the LRB drafter, it might be a good idea to include a description of what we intend to

accomplish.

Dennis

Dairy Tax Credit Extension

71.07(3n)(a)2. (intro.) and 6.b are amended to read:



71.07 (3n) (a) 2. (intro.) "Dairy farm modernization or expansion" means the construction, the improvement, or the acquisition of buildings or facilities, or the acquisition of equipment, for dairy animal housing, confinement, animal feeding, milk production, or waste management, including the following, if used exclusively related to dairy animals and if acquired and placed in service in this state during taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:



b. For taxable years that begin after December 31, 2005, and before January 1, ~~2010~~ 2012, "used exclusively," related to livestock, dairy animals, or both, means used to the exclusion of all other uses except for use not exceeding 5 percent of total use.

71.07(3n)(a)6.c. is repealed.

71.07(3n)(b)1. is amended to read:



71.07 (3n) (b) 1. Subject to the limitations provided in this subsection, for taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012, a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy farm modernization or expansion related to the operation of the claimant's dairy farm.

amend

(d)

and (e) 1. and 2.

— me



jld

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

m 2-3-10

SOON

D-N

Gen

✓

1

AN ACT ...; relating to: the dairy and livestock investment tax credits. ✓

Analysis by the Legislative Reference Bureau

Under current law, a taxpayer may claim an income and franchise tax credit for amounts paid for dairy farm modernization and expansion for taxable years beginning after December 31, 2003, and before January 1, 2010. Under this bill, a taxpayer may claim the dairy farm modernization and expansion credit for taxable years beginning after December 31, 2003, and before January 1, 2012.

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

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

2

SECTION 1. 71.07 (3n) (a) 2. (intro.) of the statutes is amended to read:

3

71.07 (3n) (a) 2. (intro.) "Dairy farm modernization or expansion" means the

4

construction, the improvement, or the acquisition of buildings or facilities, or the

5

acquisition of equipment, for dairy animal housing, confinement, animal feeding,

6

milk production, or waste management, including the following, if used exclusively

1 related to dairy animals and if acquired and placed in service in this state during
2 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012;

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

3 **SECTION 2.** 71.07 (3n) (a) 6. b. of the statutes is amended to read:

4 **71.07 (3n) (a) 6. b.** For taxable years that begin after December 31, 2005, and
5 before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals,
6 or both, means used to the exclusion of all other uses except for use not exceeding 5
7 percent of total use.

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

8 **SECTION 3.** 71.07 (3n) (a) 6. c. of the statutes is repealed.

9 **SECTION 4.** 71.07 (3n) (b) 1. of the statutes is amended to read:

10 **71.07 (3n) (b) 1.** Subject to the limitations provided in this subsection, for
11 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012,
12 a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08
13 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy
14 farm modernization or expansion related to the operation of the claimant’s dairy
15 farm.

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

16 **SECTION 5.** 71.07 (3n) (d) of the statutes is amended to read:

17 **71.07 (3n) (d)** The aggregate amount of credits that a claimant may claim
18 under this subsection is ~~\$50,000~~ \$75,000.

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

19 **SECTION 6.** 71.07 (3n) (e) 1. of the statutes is amended to read:

20 **71.07 (3n) (e) 1.** Partnerships, limited liability companies, and tax-option
21 corporations may not claim the credit under this subsection, but the eligibility for,

1 and the amount of, the credit are based on their payment of expenses under par. (b),
2 except that the aggregate amount of credits that the entity may compute shall not
3 exceed ~~\$50,000~~ \$75,000.[✓] A partnership, limited liability company, or tax-option
4 corporation shall compute the amount of credit that each of its partners, members,
5 or shareholders may claim and shall provide that information to each of them.
6 Partners, members of limited liability companies, and shareholders of tax-option
7 corporations may claim the credit in proportion to their ownership interest.

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

8 **SECTION 7. 71.07 (3n) (e) 2.** of the statutes is amended to read:

9 **71.07 (3n) (e) 2.** If 2 or more persons own and operate the dairy or livestock
10 farm, each person may claim a credit under par. (b) in proportion to his or her
11 ownership interest, except that the aggregate amount of the credits claimed by all
12 persons who own and operate the farm shall not exceed ~~\$50,000~~ \$75,000.[✓]

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

13 **SECTION 8. 71.28 (3n) (a) 2. (intro.)** of the statutes is amended to read:

14 **71.28 (3n) (a) 2. (intro.)** "Dairy farm modernization or expansion" means the
15 construction, the improvement, or the acquisition of buildings or facilities, or
16 acquiring equipment, for dairy animal housing, confinement, animal feeding, milk
17 production, or waste management, including the following, if used exclusively
18 related to dairy animals and if acquired and placed in service in this state during
19 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:[✓]

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

20 **SECTION 9. 71.28 (3n) (a) 6. b.** of the statutes is amended to read:

21 **71.28 (3n) (a) 6. b.** For taxable years that begin after December 31, 2005, and
22 before January 1, ~~2010~~ 2012,[✓] "used exclusively," related to livestock, dairy animals,

1 or both, means used to the exclusion of all other uses except for use not exceeding 5
2 percent of total use.

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

3 **SECTION 10.** 71.28 (3n) (a) 6. c. of the statutes is repealed.

4 **SECTION 11.** 71.28 (3n) (b) 1. of the statutes is amended to read:

5 71.28 (3n) (b) 1. Subject to the limitations provided in this subsection, for
6 taxable years that begin after December 31, 2003, and before January 1, 2010[✓]2012,
7 a claimant may claim as a credit against the tax imposed under s. 71.23 an amount
8 equal to 10% of the amount the claimant paid in the taxable year for dairy farm
9 modernization or expansion related to the operation of the claimant's dairy farm.

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

10 **SECTION 12.** 71.28 (3n) (d) of the statutes is amended to read:

11 71.28 (3n) (d) The aggregate amount of credits that a claimant may claim
12 under this subsection is ~~\$50,000~~[✓] \$75,000.

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

13 **SECTION 13.** 71.28 (3n) (e) 1. of the statutes is amended to read:

14 71.28 (3n) (e) 1. Partnerships, limited liability companies, and tax-option
15 corporations may not claim the credit under this subsection, but the eligibility for,
16 and the amount of, the credit are based on their payment of expenses under par. (b),
17 except that the aggregate amount of credits that the entity may compute shall not
18 exceed ~~\$50,000~~[✓] \$75,000. A partnership, limited liability company, or tax-option
19 corporation shall compute the amount of credit that each of its partners, members,
20 or shareholders may claim and shall provide that information to each of them.

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

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

3 **SECTION 14.** 71.28 (3n) (e) 2. of the statutes is amended to read:

4 71.28 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock
5 farm, each person may claim a credit under par. (b) in proportion to his or her
6 ownership interest, except that the aggregate amount of the credits claimed by all
7 persons who own and operate the farm shall not exceed ~~\$50,000~~ \$75,000.

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

8 **SECTION 15.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

9 71.47 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the
10 construction, the improvement, or the acquisition of buildings or facilities, or the
11 acquisition of equipment, for dairy animal housing, confinement, animal feeding,
12 milk production, or waste management, including the following, if used exclusively
13 related to dairy animals and if acquired and placed in service in this state during
14 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

15 **SECTION 16.** 71.47 (3n) (a) 6. b. of the statutes is amended to read:

16 71.47 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and
17 before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals,
18 or both, means used to the exclusion of all other uses except for use not exceeding 5
19 percent of total use.

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

20 **SECTION 17.** 71.47 (3n) (a) 6. c. of the statutes is repealed.

21 **SECTION 18.** 71.47 (3n) (b) 1. of the statutes is amended to read:

1 71.47 (3n) (b) 1. Subject to the limitations provided in this subsection, for
 2 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ [✓]2012,
 3 a claimant may claim as a credit against the tax imposed under s. 71.43 an amount
 4 equal to 10% of the amount the claimant paid in the taxable year for dairy farm
 5 modernization or expansion related to the operation of the claimant's dairy farm.

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

6 **SECTION 19.** 71.47 (3n) (d) of the statutes is amended to read:

7 71.47 (3n) (d) The aggregate amount of credits that a claimant may claim
 8 under this subsection is ~~\$50,000~~ [✓]\$75,000.

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

9 **SECTION 20.** 71.47 (3n) (e) 1. of the statutes is amended to read:

10 71.47 (3n) (e) 1. Partnerships, limited liability companies, and tax-option
 11 corporations may not claim the credit under this subsection, but the eligibility for,
 12 and the amount of, the credit are based on their payment of expenses under par. (b),
 13 except that the aggregate amount of credits that the entity may compute shall not
 14 exceed ~~\$50,000~~ [✓]\$75,000. A partnership, limited liability company, or tax-option
 15 corporation shall compute the amount of credit that each of its partners, members,
 16 or shareholders may claim and shall provide that information to each of them.
 17 Partners, members of limited liability companies, and shareholders of tax-option
 18 corporations may claim the credit in proportion to their ownership interest.

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

19 **SECTION 21.** 71.47 (3n) (e) 2. of the statutes is amended to read:

20 71.47 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock
 21 farm, each person may claim a credit under par. (b) in proportion to his or her

1 ownership interest, except that the aggregate amount of the credits claimed by all
2 persons who own and operate the farm shall not exceed ~~\$50,000~~ \$75,000. ✓

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28; s. 13.92 (2) (i).

3

(END)

d-note



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-4258/P1dn

JK:.....
n

date

Jld

Representative Vruwink: ✓

Please review this draft carefully to ensure that it is consistent with your intent. ✓

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-4258/P1dn
JK:jl:rs

February 9, 2010

Representative Vruwink:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

Kreye, Joseph

From: Plata, Christian
Sent: Wednesday, February 10, 2010 2:58 PM
To: Kreye, Joseph
Subject: RE: Hey Buddy

Yes please

-----Original Message-----

From: Kreye, Joseph
Sent: Wednesday, February 10, 2010 2:53 PM
To: Plata, Christian
Subject: RE: Hey Buddy

Thanks Christian. BTW, did you want me to make the other draft, 4258/P1 into a slash 1 version?

Joe

-----Original Message-----

From: Plata, Christian
Sent: Wednesday, February 10, 2010 2:49 PM
To: Kreye, Joseph
Subject: FW: Hey Buddy

-----Original Message-----

From: Romanski, Randy - DATCP [mailto:Randy.Romanski@Wisconsin.gov]
Sent: Tuesday, February 09, 2010 11:03 PM
To: Plata, Christian; Moll, Keeley A - DATCP; Phelps, Emily A - DATCP
Subject: Re: Hey Buddy

Christian,

Here are the changes that need to be made to the food processing tax credit draft.

First, consistent with the dairy processing tax credit and meat tax credit, this food processing tax credit should be refundable. I will send you some comparative language from those statutes.

Second, there are several instances where this draft refers to "meat processing operations". I assume that is just an oversight because meat plants have a different tax credit and are not included in this credit. I assume the reference should be to "food processing or food warehouse operations". So, please make this switch in:

- *the lrb analysis
- *page 4, line 24
- *page 9, line 2
- *page 12, line 19

Once you have that change done, let's take another look at it.

Thanks

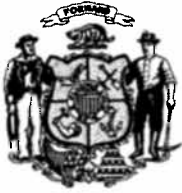
Randy

-----Original Message-----

From: Plata, Christian
To: Romanski, Randy - DATCP
Sent: Feb 9, 2010 4:13 PM
Subject: Hey Buddy

Hey Mr, I just tried calling

Christian Plata
Office of State Representative Amy Sue Vruwink
Clerk, Assembly Committee on Agriculture
70th Assembly District
112 North State Capitol
Madison WI, 53708
(608) 266-8366
christian.plata1@legis.wisconsin.gov



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-4258/P1

JK:jld:rs

RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in filed 2-10
due thru 2-11

x

Reger

1 AN ACT *to repeal* 71.07 (3n) (a) 6. c., 71.28 (3n) (a) 6. c. and 71.47 (3n) (a) 6. c.;
2 and *to amend* 71.07 (3n) (a) 2. (intro.), 71.07 (3n) (a) 6. b., 71.07 (3n) (b) 1., 71.07
3 (3n) (d), 71.07 (3n) (e) 1., 71.07 (3n) (e) 2., 71.28 (3n) (a) 2. (intro.), 71.28 (3n) (a)
4 6. b., 71.28 (3n) (b) 1., 71.28 (3n) (d), 71.28 (3n) (e) 1., 71.28 (3n) (e) 2., 71.47 (3n)
5 (a) 2. (intro.), 71.47 (3n) (a) 6. b., 71.47 (3n) (b) 1., 71.47 (3n) (d), 71.47 (3n) (e)
6 1. and 71.47 (3n) (e) 2. of the statutes; **relating to:** the dairy and livestock
7 investment tax credits. ✓

Analysis by the Legislative Reference Bureau

Under current law, a taxpayer may claim an income and franchise tax credit for amounts paid for dairy farm modernization and expansion for taxable years beginning after December 31, 2003, and before January 1, 2010. Under this bill, a taxpayer may claim the dairy farm modernization and expansion credit for taxable years beginning after December 31, 2003, and before January 1, 2012.

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

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

1 **SECTION 1.** 71.07 (3n) (a) 2. (intro.) of the statutes is amended to read:

2 71.07 (3n) (a) 2. (intro.) "Dairy farm modernization or expansion" means the
3 construction, the improvement, or the acquisition of buildings or facilities, or the
4 acquisition of equipment, for dairy animal housing, confinement, animal feeding,
5 milk production, or waste management, including the following, if used exclusively
6 related to dairy animals and if acquired and placed in service in this state during
7 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

8 **SECTION 2.** 71.07 (3n) (a) 6. b. of the statutes is amended to read:

9 71.07 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and
10 before January 1, ~~2010~~ 2012, "used exclusively," related to livestock, dairy animals,
11 or both, means used to the exclusion of all other uses except for use not exceeding 5
12 percent of total use.

13 **SECTION 3.** 71.07 (3n) (a) 6. c. of the statutes is repealed.

14 **SECTION 4.** 71.07 (3n) (b) 1. of the statutes is amended to read:

15 71.07 (3n) (b) 1. Subject to the limitations provided in this subsection, for
16 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012,
17 a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08
18 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy
19 farm modernization or expansion related to the operation of the claimant's dairy
20 farm.

21 **SECTION 5.** 71.07 (3n) (d) of the statutes is amended to read:

22 71.07 (3n) (d) The aggregate amount of credits that a claimant may claim
23 under this subsection is ~~\$50,000~~ \$75,000.

24 **SECTION 6.** 71.07 (3n) (e) 1. of the statutes is amended to read:

1 71.07 (3n) (e) 1. Partnerships, limited liability companies, and tax-option
2 corporations may not claim the credit under this subsection, but the eligibility for,
3 and the amount of, the credit are based on their payment of expenses under par. (b),
4 except that the aggregate amount of credits that the entity may compute shall not
5 exceed ~~\$50,000~~ \$75,000. A partnership, limited liability company, or tax-option
6 corporation shall compute the amount of credit that each of its partners, members,
7 or shareholders may claim and shall provide that information to each of them.
8 Partners, members of limited liability companies, and shareholders of tax-option
9 corporations may claim the credit in proportion to their ownership interest.

10 **SECTION 7.** 71.07 (3n) (e) 2. of the statutes is amended to read:

11 71.07 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock
12 farm, each person may claim a credit under par. (b) in proportion to his or her
13 ownership interest, except that the aggregate amount of the credits claimed by all
14 persons who own and operate the farm shall not exceed ~~\$50,000~~ \$75,000.

15 **SECTION 8.** 71.28 (3n) (a) 2. (intro.) of the statutes is amended to read:

16 71.28 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the
17 construction, the improvement, or the acquisition of buildings or facilities, or
18 acquiring equipment, for dairy animal housing, confinement, animal feeding, milk
19 production, or waste management, including the following, if used exclusively
20 related to dairy animals and if acquired and placed in service in this state during
21 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

22 **SECTION 9.** 71.28 (3n) (a) 6. b. of the statutes is amended to read:

23 71.28 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and
24 before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals,

1 or both, means used to the exclusion of all other uses except for use not exceeding 5
2 percent of total use.

3 **SECTION 10.** 71.28 (3n) (a) 6. c. of the statutes is repealed.

4 **SECTION 11.** 71.28 (3n) (b) 1. of the statutes is amended to read:

5 71.28 (3n) (b) 1. Subject to the limitations provided in this subsection, for
6 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012,
7 a claimant may claim as a credit against the tax imposed under s. 71.23 an amount
8 equal to 10% of the amount the claimant paid in the taxable year for dairy farm
9 modernization or expansion related to the operation of the claimant's dairy farm.

10 **SECTION 12.** 71.28 (3n) (d) of the statutes is amended to read:

11 71.28 (3n) (d) The aggregate amount of credits that a claimant may claim
12 under this subsection is ~~\$50,000~~ \$75,000.

13 **SECTION 13.** 71.28 (3n) (e) 1. of the statutes is amended to read:

14 71.28 (3n) (e) 1. Partnerships, limited liability companies, and tax-option
15 corporations may not claim the credit under this subsection, but the eligibility for,
16 and the amount of, the credit are based on their payment of expenses under par. (b),
17 except that the aggregate amount of credits that the entity may compute shall not
18 exceed ~~\$50,000~~ \$75,000. A partnership, limited liability company, or tax-option
19 corporation shall compute the amount of credit that each of its partners, members,
20 or shareholders may claim and shall provide that information to each of them.
21 Partners, members of limited liability companies, and shareholders of tax-option
22 corporations may claim the credit in proportion to their ownership interest.

23 **SECTION 14.** 71.28 (3n) (e) 2. of the statutes is amended to read:

24 71.28 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock
25 farm, each person may claim a credit under par. (b) in proportion to his or her

1 ownership interest, except that the aggregate amount of the credits claimed by all
2 persons who own and operate the farm shall not exceed ~~\$50,000~~ \$75,000.

3 **SECTION 15.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

4 71.47 (3n) (a) 2. (intro.) "Dairy farm modernization or expansion" means the
5 construction, the improvement, or the acquisition of buildings or facilities, or the
6 acquisition of equipment, for dairy animal housing, confinement, animal feeding,
7 milk production, or waste management, including the following, if used exclusively
8 related to dairy animals and if acquired and placed in service in this state during
9 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

10 **SECTION 16.** 71.47 (3n) (a) 6. b. of the statutes is amended to read:

11 71.47 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and
12 before January 1, ~~2010~~ 2012, "used exclusively," related to livestock, dairy animals,
13 or both, means used to the exclusion of all other uses except for use not exceeding 5
14 percent of total use.

15 **SECTION 17.** 71.47 (3n) (a) 6. c. of the statutes is repealed.

16 **SECTION 18.** 71.47 (3n) (b) 1. of the statutes is amended to read:

17 71.47 (3n) (b) 1. Subject to the limitations provided in this subsection, for
18 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012,
19 a claimant may claim as a credit against the tax imposed under s. 71.43 an amount
20 equal to 10% of the amount the claimant paid in the taxable year for dairy farm
21 modernization or expansion related to the operation of the claimant's dairy farm.

22 **SECTION 19.** 71.47 (3n) (d) of the statutes is amended to read:

23 71.47 (3n) (d) The aggregate amount of credits that a claimant may claim
24 under this subsection is ~~\$50,000~~ \$75,000.

25 **SECTION 20.** 71.47 (3n) (e) 1. of the statutes is amended to read:

Duerst, Christina

From: Plata, Christian
Sent: Friday, February 12, 2010 9:53 AM
To: LRB.Legal
Subject: Draft Review: LRB 09-4258/1 Topic: Dairy and livestock farm investment credit

Please Jacket LRB 09-4258/1 for the ASSEMBLY.



02-17-2010
Before Changes

2009 ASSEMBLY BILL 756

February 17, 2010 - Introduced by Representatives VRUWINK, SMITH, RIPP, A. OTT, JORGENSEN, RADCLIFFE, DANOU, MOLEPSKE JR., GARTHWAITE, KESTELL, DAVIS, BERCEAU, HEBL, BROOKS, SPANBAUER, BALLWEG, STRACHOTA, BLACK, ZEPNICK, TURNER, PETERSEN, TOWNSEND, ZIGMUNT, SINICKI, BIES, BENEDICT, HIXSON, LEMAHIEU, NERISON and HRAYCHUCK, cosponsored by Senators VINEHOUT, HARSDORF, TAYLOR and SCHULTZ. Referred to Committee on Agriculture.

1 AN ACT *to repeal* 71.07 (3n) (a) 6. c., 71.28 (3n) (a) 6. c. and 71.47 (3n) (a) 6. c.;

2 and *to amend* 71.07 (3n) (a) 2. (intro.), 71.07 (3n) (a) 6. b., 71.07 (3n) (b) 1., 71.07

3 (3n) (d), 71.07 (3n) (e) 1., 71.07 (3n) (e) 2., 71.28 (3n) (a) 2. (intro.), 71.28 (3n) (a)

4 6. b., 71.28 (3n) (b) 1., 71.28 (3n) (d), 71.28 (3n) (e) 1., 71.28 (3n) (e) 2., 71.47 (3n)

5 (a) 2. (intro.), 71.47 (3n) (a) 6. b., 71.47 (3n) (b) 1., 71.47 (3n) (d), 71.47 (3n) (e)

6 1. and 71.47 (3n) (e) 2. of the statutes; **relating to:** the dairy and livestock

7 investment tax credits.

Analysis by the Legislative Reference Bureau

Under current law, a taxpayer may claim an income and franchise tax credit for amounts paid for dairy farm modernization and expansion for taxable years beginning after December 31, 2003, and before January 1, 2010. Under this bill, a taxpayer may claim the dairy farm modernization and expansion credit for taxable years beginning after December 31, 2003, and before January 1, 2012.

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

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

REVISION REPORT

INTRODUCTION, FIRST READING AND REFERENCE OF PROPOSALS

Under Assembly Rule 17d,
Wednesday, February 17, 2010 at 4:20 PM
is considered the official date and time of introduction for the proposals listed in this document.

ASSEMBLY BILL 756 (LRB -4258)

Relating to: the dairy and livestock investment tax credits.

By Representatives Vruwink, Smith, Ripp, A. Ott, Jorgensen, Radcliffe, Danou, Molepske Jr., Garthwaite, Kestell, Davis, Berceau, Hebl, Brooks, Spanbauer, Ballweg, Strachota, Black, Zepnick, Turner, Petersen, Townsend, Zigmunt, Sinicki, Bies, Benedict, Hixson, LeMahieu, Nerison, Hraychuck and Hubler; cosponsored by Senators Vinehout, Harsdorf, Taylor and Schultz.

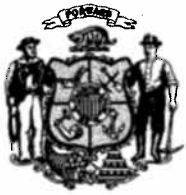
Referred to Committee on AGRICULTURE.

Revised
02-18-2010

Corrected
copy

requested by
Jeryn in the
Acc office
02-18-2010

Rep. Hubler
Added



02-18-2010
After changes

2009 ASSEMBLY BILL 756

February 17, 2010 - Introduced by Representatives VRUWINK, SMITH, RIPP, A. OTT, JORGENSEN, RADCLIFFE, DANOU, MOLEPSKE JR., GARTHWAITE, KESTELL, DAVIS, BERCEAU, HEBL, BROOKS, SPANBAUER, BALLWEG, STRACHOTA, BLACK, ZEPNICK, TURNER, PETERSEN, TOWNSEND, ZIGMUNT, SINICKI, BIES, BENEDICT, HIXSON, LEMAHIEU, NERISON, HRAYCHUCK and HUBLER, cosponsored by Senators VINEHOUT, HARS DORF, TAYLOR and SCHULTZ. Referred to Committee on Agriculture.

1 AN ACT *to repeal* 71.07 (3n) (a) 6. c., 71.28 (3n) (a) 6. c. and 71.47 (3n) (a) 6. c. ;
2 and *to amend* 71.07 (3n) (a) 2. (intro.), 71.07 (3n) (a) 6. b., 71.07 (3n) (b) 1., 71.07
3 (3n) (d), 71.07 (3n) (e) 1., 71.07 (3n) (e) 2., 71.28 (3n) (a) 2. (intro.), 71.28 (3n) (a)
4 6. b., 71.28 (3n) (b) 1., 71.28 (3n) (d), 71.28 (3n) (e) 1., 71.28 (3n) (e) 2., 71.47 (3n)
5 (a) 2. (intro.), 71.47 (3n) (a) 6. b., 71.47 (3n) (b) 1., 71.47 (3n) (d), 71.47 (3n) (e)
6 1. and 71.47 (3n) (e) 2. of the statutes; **relating to:** the dairy and livestock
7 investment tax credits.

Analysis by the Legislative Reference Bureau

Under current law, a taxpayer may claim an income and franchise tax credit for amounts paid for dairy farm modernization and expansion for taxable years beginning after December 31, 2003, and before January 1, 2010. Under this bill, a taxpayer may claim the dairy farm modernization and expansion credit for taxable years beginning after December 31, 2003, and before January 1, 2012.

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

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