



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2009 Assembly Bill 864

Assembly Amendments 1 and 2

Memo published: April 15, 2010

Contact: Mary Matthias, Staff Attorney (266-0932)

Under **current law**, the Department of Commerce (Commerce) is authorized to designate up to 10 areas in the state as enterprise zones. Eligible businesses that conduct operations in an enterprise zone that are certified by Commerce can claim refundable enterprise zone tax credits.

Commerce may certify a business in an enterprise zone as eligible for tax credits if the business creates or retains jobs or makes a capital investment in property and meets other requirements set forth in the law.

2009 Assembly Bill 864 authorizes Commerce to certify a business that is located in an enterprise zone as eligible for tax credits if the business develops or maintains a significant supply chain with other businesses located in the state, as determined by Commerce.

Assembly Amendment 1 does the following:

1. Specifies that to be eligible for certification under the bill, instead of being required to develop or maintain a significant supply chain with one or more businesses in the state, a business must purchase tangible personal property items, property, goods, or services from Wisconsin vendors.
2. Specifies that the amount of the tax credit available under the bill is limited to no more than 1% of the amount that the business paid in the taxable year to purchase tangible personal property, items, property, goods, or services from Wisconsin vendors.
3. Specifies that a business may not claim a tax credit under other provisions of the enterprise zone program for any expenditures for which it claims a credit under the provisions of the bill.

Assembly Amendment 2 exempts the bill from the statutory general fund balance requirement.

Legislative History

Assembly Amendment 1 was offered by Representatives Zigmunt and Molepske, Jr., on March 23, 2010. On March 31, 2010, the Assembly Committee on Jobs, the Economy and Small Business recommended adoption of the amendment on a vote of Ayes, 12; Noes, 0; and recommended passage of the bill, as amended, on a vote of Ayes, 11; Noes, 1.

On April 7, 2010, the Joint Committee on Finance offered Assembly Amendment 2 and recommended adoption of Assembly Amendment 1 on a vote of Ayes, 15; Noes, 0; and recommended adoption of Assembly Amendment 2 on a vote of Ayes, 13; Noes, 1, and recommended passage of the bill, as amended, on a vote of Ayes, 15; Noes, 0.

MM:wu:ksm