

State of Wisconsin



January 2011 Special Session
Assembly Bill 7

Date of enactment: **February 4, 2011**
Date of publication*: **February 18, 2011**

2011 WISCONSIN ACT 5

AN ACT to create 71.05 (6) (b) 47., 71.26 (1) (h) and 71.45 (1) (c) of the statutes; **relating to:** a job creation income and franchise tax deduction and granting rule-making authority.

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

SECTION 1. 71.05 (6) (b) 47. of the statutes is created to read:

71.05 (6) (b) 47. An amount equal to the increase in the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year, multiplied by \$4,000 for a business with gross receipts of no greater than \$5,000,000 in the taxable year or \$2,000 for a business with gross receipts greater than \$5,000,000 in the taxable year. For purposes of this subdivision, the increase in the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year is determined by subtracting from the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year, as determined by computing the average employee count from the taxpayer's quarterly unemployment insurance reports or other information as required by the department for the taxable year, the number of full-time equivalent employees employed by the taxpayer in this state during the immediately preceding taxable year, as determined by computing the average employee count from the taxpayer's quarterly unemployment insurance reports or other information as required by the department for the immediately preceding taxable year. No person may claim a deduction under this subdivision if the

person may claim a credit under this subchapter based on the person relocating the person's business from another state to this state and in an amount equal to the person's tax liability. The department shall promulgate rules to administer this subdivision.

SECTION 2. 71.26 (1) (h) of the statutes is created to read:

71.26 (1) (h) An amount equal to the increase in the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year, multiplied by \$4,000 for a business with gross receipts of no greater than \$5,000,000 in the taxable year or \$2,000 for a business with gross receipts greater than \$5,000,000 in the taxable year. For purposes of this paragraph, the increase in the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year is determined by subtracting from the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year, as determined by computing the average employee count from the taxpayer's quarterly unemployment insurance reports or other information as required by the department for the taxable year, the number of full-time equivalent employees employed by the taxpayer in this state during the immediately preceding taxable year, as determined by computing the average employee count from the taxpayer's quarterly unemployment insurance reports or other information as required by the depart-

* Section 991.11, WISCONSIN STATUTES 2009-10: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

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ment for the immediately preceding taxable year. No person may claim a deduction under this paragraph if the person may claim a credit under this subchapter based on the person relocating the person's business from another state to this state and in an amount equal to the person's tax liability. The department shall promulgate rules to administer this paragraph.

SECTION 3. 71.45 (1) (c) of the statutes is created to read:

71.45 (1) (c) An amount equal to the increase in the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year, multiplied by \$4,000 for a business with gross receipts of no greater than \$5,000,000 in the taxable year or \$2,000 for a business with gross receipts greater than \$5,000,000 in the taxable year. For purposes of this paragraph, the increase in the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year is determined by subtracting from the number of full-time equivalent employees employed by the taxpayer in this state during the taxable year, as determined by computing the average employee count from

the taxpayer's quarterly unemployment insurance reports or other information as required by the department for the taxable year, the number of full-time equivalent employees employed by the taxpayer in this state during the immediately preceding taxable year, as determined by computing the average employee count from the taxpayer's quarterly unemployment insurance reports or other information as required by the department for the immediately preceding taxable year. No person may claim a deduction under this paragraph if the person may claim a credit under this subchapter based on the person relocating the person's business from another state to this state and in an amount equal to the person's tax liability. The department shall promulgate rules to administer this paragraph.

SECTION 4. Nonstatutory provisions.

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

SECTION 5. Initial applicability.

(1) This act first applies to taxable years beginning on January 1, 2011.
