

**ASSEMBLY BILL 7, JANUARY 2011 SPECIAL SESSION (LRB -0763)**

An Act to amend 71.05 (6) (a) 15., 71.21 (4), 71.26 (2) (a) 4., 71.34 (1k) (g), 71.45 (2) (a) 10. and 77.92 (4); and to create 71.07 (5p), 71.10 (4) (dw), 71.28 (5p), 71.30 (3) (dw), 71.47 (5p) and 71.49 (1) (dw) of the statutes; relating to: an income and franchise tax credit for small businesses. (FE)

**2011**

01-11.	A.	Introduced by committee on <b>ASSEMBLY ORGANIZATION</b> , by request of Governor Scott Walker, Representative Vos, and Senator Moulton.	
01-11.	A.	Read first time and referred to committee on Jobs, Economy and Small Business	29
01-11.	A.	Fiscal estimate received.	
01-11.	A.	Public hearing held.	
01-13.	A.	Executive action taken.	
01-14.	A.	Report passage recommended by committee on Jobs, Economy and Small Business, Ayes 9, Noes 6	33
01-14.	A.	Referred to joint committee on Finance	33
01-20.	A.	Executive action taken.	
01-20.	A.	Assembly substitute amendment 1 offered by committee on Finance ( <b>LRB s0015</b> )	41
01-20.	A.	Assembly substitute amendment 2 offered by committee on Finance ( <b>LRB s0018</b> )	41
01-20.	A.	Assembly amendment 1 to Assembly substitute amendment 1 offered by committee on Finance ( <b>LRB a0194</b> )	41
01-20.	A.	Assembly amendment 2 to Assembly substitute amendment 1 offered by committee on Finance ( <b>LRB a0193</b> )	41
01-20.	A.	Assembly amendment 3 to Assembly substitute amendment 1 offered by committee on Finance ( <b>LRB a0249</b> )	41
01-20.	A.	Assembly amendment 4 to Assembly substitute amendment 1 offered by committee on Finance ( <b>LRB a0248</b> )	41
01-20.	A.	Report Assembly Substitute Amendment 1 adoption recommended by joint committee on Finance, Ayes 12, Noes 4	41
01-20.	A.	Report passage as amended, with emergency statement attached, pursuant to s. 16.47 (2), Wisconsin Statutes, recommended by joint committee on Finance	41
01-20.	A.	Referred to committee on Rules	42
01-20.	A.	Placed on calendar 1-25-2011 by committee on Rules.	
01-25.	A.	Read a second time	63
01-25.	A.	Assembly substitute amendment 5 offered by Representatives Young, E. Coggs and Kessler ( <b>LRB s0047</b> )	63
01-25.	A.	Assembly substitute amendment 5 laid on table, Ayes 59, Noes 36	63
01-25.	A.	Assembly substitute amendment 4 offered by Representative Hintz ( <b>LRB s0039</b> )	64
01-25.	A.	Assembly substitute amendment 4 withdrawn and returned to author	64
01-25.	A.	Assembly substitute amendment 3 offered by Representatives Seidel and Barca ( <b>LRB s0037</b> )	64
01-25.	A.	Assembly substitute amendment 3 laid on table, Ayes 58, Noes 36	64
01-25.	A.	Assembly amendment 5 to Assembly substitute amendment 1 offered by Representative Vruwink ( <b>LRB a0299</b> )	64
01-25.	A.	Assembly amendment 5 to Assembly substitute amendment 1 laid on table, Ayes 58, Noes 36	64
01-25.	A.	Assembly amendment 6 to Assembly substitute amendment 1 offered by Representative Radcliffe ( <b>LRB a0328</b> )	64
01-25.	A.	Assembly amendment 6 to Assembly substitute amendment 1 laid on table, Ayes 61, Noes 33	64
01-25.	A.	Assembly substitute amendment 1 adopted	65
01-25.	A.	Ordered to a third reading	65
01-25.	A.	Rules suspended	65
01-25.	A.	Read a third time and <b>passed</b> , Ayes 60, Noes 33, Paired 2	65
01-25.	A.	Ordered immediately messaged	65
01-26.	S.	Received from Assembly	64
01-26.	S.	Read first time and referred to committee on Senate Organization	64
01-26.	S.	Available for scheduling.	
01-27.	S.	Rules suspended to withdraw from committee on Senate Organization and take up.	
01-27.	S.	Read a second time.	
01-27.	S.	Ordered to a third reading.	
01-27.	S.	Rules suspended.	
01-27.	S.	Read a third time and <b>concurred in</b> , Ayes 25, Noes 8.	
01-27.	S.	Ordered immediately messaged.	
01-27.	A.	Received from Senate concurred in.	

JP

2011



ENROLLED BILL

JAN 2011 55  
en AB-7

ADOPTED DOCUMENTS:

Orig

Engr

A SubAmdt 1

50015/2

Amendments to above (if none, write "NONE"):

None

Corrections - show date (if none, write "NONE"):

None

Topic

Rel

1-27-2011

Date

J. R. Miller  
Enrolling Drafter



State of Wisconsin  
2011 - 2012 LEGISLATURE  
January 2011 Special Session



LRBs0015/2  
JK:nwn/wlj/cjs:md

**ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO ASSEMBLY BILL 7**

January 20, 2011 – Offered by JOINT COMMITTEE ON FINANCE.

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

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

4 **SECTION 1.** 71.05 (6) (b) 47. of the statutes is created to read:  
5 71.05 (6) (b) 47. An amount equal to the increase in the number of full-time  
6 equivalent employees employed by the taxpayer in this state during the taxable year,  
7 multiplied by \$4,000 for a business with gross receipts of no greater than \$5,000,000  
8 in the taxable year or \$2,000 for a business with gross receipts greater than  
9 \$5,000,000 in the taxable year. For purposes of this subdivision, the increase in the  
10 number of full-time equivalent employees employed by the taxpayer in this state  
11 during the taxable year is determined by subtracting from the number of full-time

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

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

14 71.26 (1) (h) An amount equal to the increase in the number of full-time  
15 equivalent employees employed by the taxpayer in this state during the taxable year,  
16 multiplied by \$4,000 for a business with gross receipts of no greater than \$5,000,000  
17 in the taxable year or \$2,000 for a business with gross receipts greater than  
18 \$5,000,000 in the taxable year. For purposes of this paragraph, the increase in the  
19 number of full-time equivalent employees employed by the taxpayer in this state  
20 during the taxable year is determined by subtracting from the number of full-time  
21 equivalent employees employed by the taxpayer in this state during the taxable year,  
22 as determined by computing the average employee count from the taxpayer's  
23 quarterly unemployment insurance reports or other information as required by the  
24 department for the taxable year, the number of full-time equivalent employees  
25 employed by the taxpayer in this state during the immediately preceding taxable

1 year, as determined by computing the average employee count from the taxpayer's  
2 quarterly unemployment insurance reports or other information as required by the  
3 department for the immediately preceding taxable year. No person may claim a  
4 deduction under this paragraph if the person may claim a credit under this  
5 subchapter based on the person relocating the person's business from another state  
6 to this state and in an amount equal to the person's tax liability. The department  
7 shall promulgate rules to administer this paragraph.

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

9 71.45 (1) (c) An amount equal to the increase in the number of full-time  
10 equivalent employees employed by the taxpayer in this state during the taxable year,  
11 multiplied by \$4,000 for a business with gross receipts of no greater than \$5,000,000  
12 in the taxable year or \$2,000 for a business with gross receipts greater than  
13 \$5,000,000 in the taxable year. For purposes of this paragraph, the increase in the  
14 number of full-time equivalent employees employed by the taxpayer in this state  
15 during the taxable year is determined by subtracting from the number of full-time  
16 equivalent employees employed by the taxpayer in this state during the taxable year,  
17 as determined by computing the average employee count from the taxpayer's  
18 quarterly unemployment insurance reports or other information as required by the  
19 department for the taxable year, the number of full-time equivalent employees  
20 employed by the taxpayer in this state during the immediately preceding taxable  
21 year, as determined by computing the average employee count from the taxpayer's  
22 quarterly unemployment insurance reports or other information as required by the  
23 department for the immediately preceding taxable year. No person may claim a  
24 deduction under this paragraph if the person may claim a credit under this  
25 subchapter based on the person relocating the person's business from another state

1 to this state and in an amount equal to the person's tax liability. The department  
2 shall promulgate rules to administer this paragraph.

3 **SECTION 4. 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 **SECTION 5. Initial applicability.**

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

8 (END)