



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2011 Wisconsin Act 26**  
[2011 Assembly Bill 2]

**Enterprise Zones**

Enterprise zones are designated areas in which certified businesses may claim refundable tax credits for qualified expenses related to job creation, job retention, employee training, capital expenditures, and purchases from Wisconsin suppliers.

Under *prior law*, the Department of Commerce (Commerce) was authorized to designate no more than 12 enterprise zones. All enterprise zones were required to be designated based on specified indicators of economic need and effects on other economic development efforts, with preference given to the greatest economic need. No population criteria applied to the designation of the zones.

**2011 Wisconsin Act 26** authorizes Commerce to designate no more than 20 enterprise zones. It requires that five of the designated zones be areas comprising political subdivisions fulfilling specified population criteria. Specifically, Commerce must designate three enterprise zones in areas comprising political subdivisions with populations of less than 5,000 people, and two enterprise zones in areas comprising political subdivisions with populations of at least 5,000 but fewer than 30,000 people.

Under the Act, Commerce is required to designate the five enterprise zones subject to population restrictions notwithstanding findings of economic indicators and the preference for greatest economic need generally required for the designation of enterprise zones under current law. However, when designating zones that fulfill the population limitations, the Act provides that Commerce may consider indicators of an area's economic need and the effect of such designation on other economic development activities.

**Effective date:** June 25, 2011

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.