



2013 SENATE BILL 322

October 2, 2013 – Introduced by Senators LEIBHAM, KEDZIE and SCHULTZ, cosponsored by Representatives ENDSLEY, BROOKS, KESSLER, KESTELL and T. LARSON. Referred to Committee on Workforce Development, Forestry, Mining, and Revenue.

1 **AN ACT to amend** 71.05 (6) (a) 15., 71.21 (4) (a), 71.26 (2) (a) 4., 71.34 (1k) (g) and
2 71.45 (2) (a) 10.; and **to create** 71.07 (9g), 71.10 (4) (cs), 71.28 (9g), 71.30 (3) (dr),
3 71.47 (9g) and 71.49 (1) (dr) of the statutes; **relating to:** income and franchise
4 tax credits for insulating concrete forms used to construct a building.

Analysis by the Legislative Reference Bureau

This bill creates an income and franchise tax credit equal to the amount that the taxpayer pays in the taxable year to purchase or manufacture insulating concrete forms used to construct a building. If the amount of the credit exceeds the taxpayer's tax liability, the taxpayer does not receive a refund, but may claim the amount of any unused credit in subsequent taxable years.

For further information see the *state and local* 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:

5 **SECTION 1.** 71.05 (6) (a) 15. of the statutes, as affected by 2013 Wisconsin Act
6 20, is amended to read:

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1 71.05 (6) (a) 15. Except as provided under s. 71.07 (3p) (c) 5., the amount of the
2 credits computed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds),
3 (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (4k), (4n), (5e),
4 (5f), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), ~~and (8r)~~, and (9g) and not passed through
5 by a partnership, limited liability company, or tax-option corporation that has added
6 that amount to the partnership's, company's, or tax-option corporation's income
7 under s. 71.21 (4) or 71.34 (1k) (g).

8 **SECTION 2.** 71.07 (9g) of the statutes is created to read:

9 71.07 (9g) INSULATING CONCRETE FORMS CREDIT. (a) *Definitions.* In this
10 subsection:

11 1. "Claimant" means a person who files a claim under this subsection.

12 2. "Insulating concrete form" means a hollow expandable polystyrene form
13 system that is filled with concrete and includes the concrete used to fill the form.

14 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
15 claimant may claim as a credit against the taxes imposed under s. 71.02, up to the
16 amount of the taxes, an amount equal to the amount that the claimant paid in the
17 taxable year to purchase for use in this state, or to manufacture in this state,
18 insulating concrete forms used to construct the foundation walls, frost walls, or
19 insulated interior or exterior walls of any building.

20 (c) *Limitations.* 1. No person may claim a credit under this subsection for any
21 item for which the person has received a rebate under any state program, including
22 a state program operated in conjunction with private entities.

23 2. Partnerships, limited liability companies, and tax-option corporations may
24 not claim the credit under this subsection, but the eligibility for, and the amount of,
25 the credit are based on their payment of the amount described under par. (b). A

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1 partnership, limited liability company, or tax-option corporation shall compute the
2 amount of credit that each of its partners, members, or shareholders may claim and
3 shall provide that information to each of them. Partners, members of limited liability
4 companies, and shareholders of tax-option corporations may claim the credit in
5 proportion to their ownership interests.

6 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
7 s. 71.28 (4), applies to the credit under this subsection.

8 **SECTION 3.** 71.10 (4) (cs) of the statutes is created to read:

9 71.10 (4) (cs) Insulating concrete forms credit under s. 71.07 (9g).

10 **SECTION 4.** 71.21 (4) (a) of the statutes, as affected by 2013 Wisconsin Act 20,
11 is amended to read:

12 71.21 (4) (a) The amount of the credits computed by a partnership under s.
13 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p),
14 (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (4k), (4n), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
15 (5rm), (6n), and (8r), and (9g) and passed through to partners shall be added to the
16 partnership's income.

17 **SECTION 5.** 71.26 (2) (a) 4. of the statutes is amended to read:

18 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
19 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),
20 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8r), (9g),
21 and (9s) and not passed through by a partnership, limited liability company, or
22 tax-option corporation that has added that amount to the partnership's, limited
23 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)
24 (g).

25 **SECTION 6.** 71.28 (9g) of the statutes is created to read:

SENATE BILL 322**SECTION 6**

1 71.28 **(9g)** INSULATING CONCRETE FORMS CREDIT. (a) *Definitions.* In this
2 subsection:

3 1. “Claimant” means a person who files a claim under this subsection.

4 2. “Insulating concrete form” means a hollow expandable polystyrene form
5 system that is filled with concrete and includes the concrete used to fill the form.

6 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
7 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the
8 amount of the taxes, an amount equal to the amount that the claimant paid in the
9 taxable year to purchase for use in this state, or to manufacture in this state,
10 insulating concrete forms used to construct the foundation walls, frost walls, or
11 insulated interior or exterior walls of any building.

12 (c) *Limitations.* 1. No person may claim a credit under this subsection for any
13 item for which the person has received a rebate under any state program, including
14 a state program operated in conjunction with private entities.

15 2. Partnerships, limited liability companies, and tax–option corporations may
16 not claim the credit under this subsection, but the eligibility for, and the amount of,
17 the credit are based on their payment of the amount described under par. (b). A
18 partnership, limited liability company, or tax–option corporation shall compute the
19 amount of credit that each of its partners, members, or shareholders may claim and
20 shall provide that information to each of them. Partners, members of limited liability
21 companies, and shareholders of tax–option corporations may claim the credit in
22 proportion to their ownership interests.

23 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under
24 sub. (4), applies to the credit under this subsection.

25 **SECTION 7.** 71.30 (3) (dr) of the statutes is created to read:

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1 71.30 (3) (dr) Insulating concrete forms credit under s. 71.28 (9g).

2 **SECTION 8.** 71.34 (1k) (g) of the statutes, as affected by 2013 Wisconsin Act 20,
3 is amended to read:

4 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option
5 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),
6 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (4), (5), (5e), (5f), (5g), (5h),
7 (5i), (5j), (5k), (5r), (5rm), (6n), ~~and (8r)~~, and (9g) and passed through to shareholders.

8 **SECTION 9.** 71.45 (2) (a) 10. of the statutes is amended to read:

9 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
10 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),
11 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8r), (9g), and (9s) and not
12 passed through by a partnership, limited liability company, or tax-option
13 corporation that has added that amount to the partnership's, limited liability
14 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and
15 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

16 **SECTION 10.** 71.47 (9g) of the statutes is created to read:

17 71.47 (9g) INSULATING CONCRETE FORMS CREDIT. (a) *Definitions.* In this
18 subsection:

19 1. "Claimant" means a person who files a claim under this subsection.

20 2. "Insulating concrete form" means a hollow expandable polystyrene form
21 system that is filled with concrete and includes the concrete used to fill the form.

22 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
23 claimant may claim as a credit against the taxes imposed under s. 71.43, up to the
24 amount of the taxes, an amount equal to the amount that the claimant paid in the
25 taxable year to purchase for use in this state, or to manufacture in this state,

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1 insulating concrete forms used to construct the foundation walls, frost walls, or
2 insulated interior or exterior walls of any building.

3 (c) *Limitations.* 1. No person may claim a credit under this subsection for any
4 item for which the person has received a rebate under any state program, including
5 a state program operated in conjunction with private entities.

6 2. Partnerships, limited liability companies, and tax-option corporations may
7 not claim the credit under this subsection, but the eligibility for, and the amount of,
8 the credit are based on their payment of the amount described under par. (b). A
9 partnership, limited liability company, or tax-option corporation shall compute the
10 amount of credit that each of its partners, members, or shareholders may claim and
11 shall provide that information to each of them. Partners, members of limited liability
12 companies, and shareholders of tax-option corporations may claim the credit in
13 proportion to their ownership interests.

14 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
15 s. 71.28 (4), applies to the credit under this subsection.

16 **SECTION 11.** 71.49 (1) (dr) of the statutes is created to read:

17 71.49 (1) (dr) Insulating concrete forms credit under s. 71.47 (9g).

18 **SECTION 12. Initial applicability.**

19 (1) This act first applies to taxable years beginning on January 1, 2014.

20 (END)