




State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX - **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 08/17/2017 (Per: CMH)

Compile Draft - Appendix L

- Appendix A  The 2017 drafting file for LRBa0939
- Appendix B  The 2017 drafting file for LRBa0950
- Appendix C  The 2017 drafting file for LRBa0951
- Appendix D  The 2017 drafting file for LRBa0953
- Appendix E  The 2017 drafting file for LRBa0956
- Appendix F  The 2017 drafting file for LRBa0962
- Appendix G  The 2017 drafting file for LRBa0969
- Appendix H  The 2017 drafting file for LRBa1000
- Appendix I  The 2017 drafting file for LRBa1010
- Appendix J  The 2017 drafting file for LRBa1042
- Appendix K  The 2017 drafting file for LRBa1047
- Appendix L  The 2017 drafting file for LRBa1048

has been copied/added to the drafting file for

2017 LRBa1060

2017 Au7 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB1)

For: Peter Barca (608) 266-5504 Drafter: mgallagh
By: Matt Secondary Drafters: jkreye
Date: 8/16/2017 May Contact:
Same as LRB:

Submit via email: YES
Requester's email: Rep.Barca@legis.wisconsin.gov
Carbon copy (CC) to: michael.gallagher@legis.wisconsin.gov
joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Better deal

Instructions:

BETTER DEAL: JOBS CREDITS: Require the company to create at least 1,000 jobs by 2018 and 3,000 in 2022 to be eligible for credits (at the current 17%). Beginning in 2022, the percentage of the jobs tax credit would fluctuate annually based on the level of jobs created and maintained. At 13,000 or more jobs the credit would be for 17% for that year; for 12,000-12,999 it would be 16%; 11,000-11,999(15%); 10,000-10,999 (14%); 9,000+ (13%); 8,000+ (12%); 7,000+ (11%); 6,000+ (10%); 5,000+ (9%); 4,000+ (8%); 3,000+ (7%). If it drops below 3,000 during the length of the contract the company would lose certification and WEDC would be required to clawback to recover all previously paid credits for both jobs and capital. SALES TAX: If the company fails to create 13,000 jobs and maintain them through the contact beginning in 2022, the company would lose the sale tax exemption and be required to repay the state. CAPITAL: Limit construction eligible for the credit to the initial 4 year build out phase. Extend the time for capital credits to be paid out from 7 years to the entire 15 year contract. The credit percentage is reduced from 15% to 10% of costs if the company employs fewer than 13,000 beginning in 2022.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 8/16/2017				
/1		aernstr 8/16/2017	mbarman 8/16/2017	mbarman 8/16/2017	

FE Sent For:

<END>



State of Wisconsin
 2017 - 2018 LEGISLATURE
 August 2017 Special Session

LRBa1048?
 MPG&JK:...

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1

Tooley
8/16

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 23, line 1: delete that line and substitute:
- 3 "2m. Multiply the amount determined under subd. 1. by a percentage
- 4 determined as follows:
- 5 a. For taxable years beginning after December 31, 2017, and before January
- 6 1, 2022, if the claimant employs at least 1,000 individuals in this state during the
- 7 taxable year, 17 percent.
- 8 b. For taxable years beginning after December 31, 2021, if the claimant
- 9 employs at least 13,000 individuals in this state during the taxable year, 17 percent;
- 10 if the claimant employs at least 12,000, but less than 13,000 individuals in this state
- 11 during the taxable year, 16 percent; if the claimant employs at least 11,000, but less

1 than 12,000 individuals in this state during the taxable year, 15 percent; if the
2 claimant employs at least 10,000, but less than 11,000 individuals in this state
3 during the taxable year, 14 percent; if the claimant employs at least 9,000, but less
4 than 10,000 individuals in this state during the taxable year, 13 percent; if the
5 claimant employs at least 8,000, but less than 9,000 individuals in this state during
6 the taxable year, 12 percent; if the claimant employs at least 7,000, but less than
7 8,000 individuals in this state during the taxable year, 11 percent; if the claimant
8 employs at least 6,000, but less than 7,000 individuals in this state during the
9 taxable year, 10 percent; if the claimant employs at least 5,000, but less than 6,000
10 individuals in this state during the taxable year, 9 percent; if the claimant employs
11 at least 4,000, but less than 5,000 individuals in this state during the taxable year,
12 8 percent; if the claimant employs at least 3,000, but less than 4,000 individuals in
13 this state during the taxable year, 7 percent; and if the claimant employs less than
14 3,000 individuals in this state during the taxable year, zero percent.”.

15 **2.** Page 27, line 6: delete that line and substitute:

16 “2m. Multiply the amount determined under subd. 1. by a percentage
17 determined as follows:

18 a. For taxable years beginning after December 31, 2017, and before January
19 1, 2022, if the claimant employs at least 1,000 individuals in this state during the
20 taxable year, 17 percent.

21 b. For taxable years beginning after December 31, 2021, if the claimant
22 employs at least 13,000 individuals in this state during the taxable year, 17 percent;
23 if the claimant employs at least 12,000, but less than 13,000 individuals in this state
24 during the taxable year, 16 percent; if the claimant employs at least 11,000, but less

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12 8 percent; if the claimant employs at least 3,000, but less than 4,000 individuals in
13 this state during the taxable year, 7 percent; and if the claimant employs less than
14 3,000 individuals in this state during the taxable year, zero percent.”.

15 **3.** Page 29, line 15: after “Corporation.” insert “A person who enters into a
16 contract with the corporation to claim the credits under s. 238.396 (1m) may not
17 claim the exemption under this subsection in 2022 or in any year thereafter during
18 the period covered by the contract unless the person employs at least 13,000
19 individuals in this state in 2022 and in each year thereafter during the period
20 covered by the contract. A person who claims the exemption under this subsection
21 and who does not maintain the employment described in this subsection, shall repay
22 to the department the amount of the sales and use taxes the person would have paid
23 if not for this exemption.”.

24 **4.** Page 36, line 3: after “EXPENDITURES.” insert “(a)”.



State of Wisconsin
2017 - 2018 LEGISLATURE
August 2017 Special Session

LRBa1048/1
MPG&JK:ahe

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

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 23, line 1: delete that line and substitute:

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21 employs at least 13,000 individuals in this state during the taxable year, 17 percent;
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17 the contract unless the person employs at least 13,000 individuals in this state in
18 2022 and in each year thereafter during the period covered by the contract. A person
19 who claims the exemption under this subsection and who does not maintain the
20 employment described in this subsection, shall repay to the department the amount
21 of the sales and use taxes the person would have paid if not for this exemption.”.

22 **4.** Page 36, line 3: after “EXPENDITURES.” insert “(a)”.

23 **5.** Page 36, line 6: after “zone” insert “and the expenditure is made before
24 January 1, 2022”.

1 **6.** Page 36, line 7: delete “a period of 7 years” and substitute “the effective
2 period of the zone under sub. (2)”.

3 **7.** Page 36, line 10: after that line insert:

4 “(b) Notwithstanding par. (a), if a business fails to employ at least 13,000
5 full-time employees in this state on January 1, 2022, the corporation may certify the
6 business to receive additional tax benefits under par. (a) in an amount to be
7 determined by the corporation, but not exceeding 10 percent of the business’s capital
8 expenditures.”.

9 **8.** Page 36, line 23: after that line insert:

10 “4g. Fails to employ at least 1,000 full-time employees in this state on
11 December 31, 2018.

12 4r. Fails to employ at least 3,000 full-time employees in this state on January
13 1, 2022, or at any time thereafter during the effective period of the zone under sub.
14 (2).

15 (am) If the corporation revokes a certification under par. (a) 4r., the corporation
16 shall revoke all of the business’s certifications under subs. (3) and (3m) and the
17 business shall repay all tax benefits the business has already claimed. The
18 corporation and the department of revenue shall share information necessary to
19 administer this paragraph.”.

20

(END)