

2017 Assembly Bill 869 (LRB -5136)

An Act to amend 76.67 (2); and to create 71.07 (8b), 71.10 (4) (cs), 71.28 (8b), 71.30 (3) (cs), 71.47 (8b), 71.49 (1) (cs), 76.639 and 234.45 of the statutes; relating to: an income and franchise tax credit for the development of low-income housing. (FE)

2018

01-19.	A.	Introduced by Representatives Summerfield, Allen, Goyke, Horlacher, Kerkman, Kolste, Novak, Petryk, Quinn, Rohrkaste, Spiros and Subeck ; cosponsored by Senators Testin, Feyen, Fitzgerald, Petrowski, Ringhand and Wirch .	655
01-19.	A.	Read first time and referred to Committee on Housing and Real Estate	655
01-23.	A.	Fiscal estimate received	
01-25.	A.	Fiscal estimate received	
02-06.	A.	Public hearing held	
02-07.	A.	Executive action taken	
02-07.	A.	Report passage recommended by Committee on Housing and Real Estate, Ayes 9, Noes 0	713
02-07.	A.	Referred to joint committee on Finance	713
02-08.	A.	Executive action taken	
02-09.	A.	Assembly Amendment 1 offered by Joint Committee on Finance (LRB a1986)	722
02-12.	A.	Report Assembly Amendment 1 adoption recommended by Joint Committee on Finance, Ayes 16, Noes 0	726
02-12.	A.	Report passage as amended recommended by Joint Committee on Finance, Ayes 16, Noes 0	726
02-12.	A.	Referred to committee on Rules	726
02-15.	A.	Assembly Amendment 2 offered by Representative Summerfield (LRB a2163)	751
02-15.	A.	Made a special order of business at 1:57 PM on 2-20-2018 pursuant to Assembly Resolution 26	768
02-16.	A.	Assembly Amendment 3 offered by Representative Summerfield (LRB a2200)	776
02-20.	A.	Read a second time	812
02-20.	A.	Assembly Amendment 1 adopted	812
02-20.	A.	Assembly Amendment 2 withdrawn and returned to author	812
02-20.	A.	Assembly Amendment 3 adopted	812
02-20.	A.	Ordered to a third reading	812
02-20.	A.	Rules suspended	812
02-20.	A.	Read a third time and passed	812
02-20.	A.	Representatives Bowen and Shankland added as coauthors	812
02-20.	A.	Ordered immediately messaged	812
02-21.	S.	Received from Assembly	784
03-12.	S.	Read first time and referred to committee on Senate Organization	822
03-12.	S.	Available for scheduling	
03-15.	S.	Public hearing requirement waived by committee on Senate Organization, pursuant to Senate Rule 18 (1m), Ayes 3, Noes 2	833
03-15.	S.	Placed on calendar 3-20-2018 pursuant to Senate Rule 18(1)	834
03-20.	S.	Read a second time	
03-20.	S.	Ordered to a third reading	
03-20.	S.	Rules suspended	
03-20.	S.	Read a third time and concurred in , Ayes 32, Noes 0	
03-20.	S.	Ordered immediately messaged	
03-21.	A.	Received from Senate concurred in	891

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2017 ENROLLED BILL

Adopted Documents

Original

Engrossed

Substitute Amdt

17 -5136, 1

Amendments: None or Listed below.

AA 1 (identical to AA 3) ^{aa}
AA 3 _{→ 5.17.}

Corrections: None or Listed by date below.

Topic: Same as relating clause or other, indicated below.

2/26/18

Date

Enrolling Drafter



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-5136/1
JK&MPG:amn&emw

2017 ASSEMBLY BILL 869

January 19, 2018 - Introduced by Representatives SUMMERFIELD, ALLEN, GOYKE, HORLACHER, KERKMAN, KOLSTE, NOVAK, PETRYK, QUINN, ROHRKASTE, SPIROS and SUBECK, cosponsored by Senators TESTIN, FEYEN, FITZGERALD, PETROWSKI, RINGHAND and WIRCH. Referred to Committee on Housing and Real Estate.

1 **AN ACT** *to amend* 76.67 (2); and *to create* 71.07 (8b), 71.10 (4) (cs), 71.28 (8b),
2 71.30 (3) (cs), 71.47 (8b), 71.49 (1) (cs), 76.639 and 234.45 of the statutes;
3 **relating to:** an income and franchise tax credit for the development of
4 low-income housing.

Analysis by the Legislative Reference Bureau

This bill creates a state tax credit program administered by the Wisconsin Housing and Economic Development Authority that is similar to a federal low-income housing tax credit program also administered by WHEDA. Under the state program, WHEDA may certify a person to claim a nonrefundable income and franchise tax credit if all of the following conditions are satisfied:

1. The person has an ownership interest in a qualified development. Under the bill, a "qualified development" is a low-income housing project for purposes of the federal low-income housing tax credit program, located in Wisconsin, and financed with tax-exempt bonds.

2. The tax credit is necessary for the financial feasibility of the qualified development.

3. The qualified development is the subject of a recorded restrictive covenant requiring that for at least 15 years, among other things, the development must be maintained and operated as a qualified development.

4. The tax credit certification is issued in accordance with a qualified allocation plan WHEDA is required to establish under the federal low-income housing tax credit program.

ASSEMBLY BILL 869

Under the bill, WHEDA must give preference to qualified developments located in a city, village, or town of fewer than 150,000. The bill also caps at \$42,000,000 the total amount of tax credits WHEDA may issue under the state program in a calendar year. However, the bill raises that cap for each calendar year by an amount equal to the total amount of all unallocated state tax credits from previous calendar years and the total amount of all previously allocated state tax credits that have been revoked or cancelled or otherwise recovered by WHEDA.

The bill also requires that WHEDA submit an annual report to the legislature concerning the progress of the program.

For further information see the *state* 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:

1 **SECTION 1.** 71.07 (8b) of the statutes is created to read:

2 71.07 (8b) LOW-INCOME HOUSING CREDIT. (a) *Definitions.* In this subsection:

3 1. "Allocation certificate" means a statement issued by the authority certifying
4 that a qualified development is eligible for a credit under this subsection and
5 specifying the amount of the credit that the owners of the qualified development may
6 claim.

7 2. "Authority" means the Wisconsin Housing and Economic Development
8 Authority.

9 3. "Claimant" means a person who has an ownership interest in a qualified
10 development and who files a claim under this subsection.

11 4. "Compliance period" means the 15-year period beginning with the first
12 taxable year of the credit period.

13 5. "Credit period" means the period of 6 taxable years beginning with the
14 taxable year in which a qualified development is placed in service. For purposes of
15 this subdivision, if a qualified development consists of more than one building, the

ASSEMBLY BILL 869

1 qualified development is placed in service in the taxable year in which the last
2 building of the qualified development is placed in service.

3 6. "Qualified basis" means the qualified basis determined under section 42 (c)
4 (1) of the Internal Revenue Code.

5 7. "Qualified development" means a qualified low-income housing project
6 under section 42 (g) of the Internal Revenue Code that is financed with tax-exempt
7 bonds, pursuant to section 42 (i) (2) of the Internal Revenue Code, and located in this
8 state.

9 (b) *Filing claims.* Subject to the limitations provided in this subsection and in
10 s. 234.45, for taxable years beginning after December 31, 2017, a claimant may claim
11 as a credit against the taxes imposed under s. 71.02^{or 71.08} up to the amount of the tax, the
12 amount allocated to the claimant by the authority under s. 234.45 for each taxable
13 year within the credit period.

14 (c) *Limitations.* 1. No person may claim the credit under par. (b) unless the
15 claimant includes with the claimant's return a copy of the allocation certificate
16 issued to the qualified development.

17 2. A partnership, limited liability company, or tax-option corporation may not
18 claim the credit under this subsection. The partners of a partnership, members of
19 a limited liability company, or shareholders in a tax-option corporation may claim
20 the credit under this subsection based on eligible costs incurred by the partnership,
21 limited liability company, or tax-option corporation. The partnership, limited
22 liability company, or tax-option corporation shall calculate the amount of the credit
23 that may be claimed by each partner, member, or shareholder and shall provide that
24 information to the partner, member, or shareholder. For shareholders of a tax-option
25 corporation, the credit may be allocated in proportion to the ownership interest of

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ASSEMBLY BILL 869

SECTION 1

1 each shareholder. Credits computed by a partnership or limited liability company
 2 may be claimed in proportion to the ownership interests of the partners or members
 3 or allocated to partners or members as provided in a written agreement among the
 4 partners or members that is entered into no later than the last day of the taxable year
 5 of the partnership or limited liability company, for which the credit is claimed. Any
 6 partner or member who claims the credit as allocated by a written agreement shall
 7 provide a copy of the agreement with the tax return on which the credit is claimed.
 8 A person claiming the credit as provided under this subdivision is solely responsible
 9 for any tax liability arising from a dispute with the department of revenue related
 10 to claiming the credit.

11 (d) *Recapture.* 1. As of the last day of any taxable year during the compliance
 12 period, if the amount of the qualified basis of a qualified development with respect
 13 to a claimant is less than the amount of the qualified basis as of the last day of the
 14 immediately preceding taxable year, the amount of the claimant's tax liability under
 15 this subchapter shall be increased by the recapture amount determined by using the
 16 method under section 42 (j) of the Internal Revenue Code.

17 2. In the event that the recapture of any credit is required in any taxable year,
 18 the taxpayer shall include the recaptured proportion of the credit on the return
 19 submitted for the taxable year in which the recapture event is identified.

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

22 **SECTION 2.** 71.10 (4) ^(fb) ~~(cs)~~ of the statutes is created to read: AA 3
 23 71.10 (4) ^(fb) ~~(cs)~~ Low-income housing credit under s. 71.07 (8b). AA 3
 24 **SECTION 3.** 71.28 (8b) of the statutes is created to read: AA 3 4.
 25 71.28 (8b) LOW-INCOME HOUSING CREDIT. (a) *Definitions.* In this subsection:

INS
AA 3
2.

ASSEMBLY BILL 869

1 1. "Allocation certificate" means a statement issued by the authority certifying
2 that a qualified development is eligible for a credit under this subsection and
3 specifying the amount of the credit that the owners of the qualified development may
4 claim.

5 2. "Authority" means the Wisconsin Housing and Economic Development
6 Authority.

7 3. "Claimant" means a person who has an ownership interest in a qualified
8 development and who files a claim under this subsection.

9 4. "Compliance period" means the 15-year period beginning with the first
10 taxable year of the credit period.

11 5. "Credit period" means the period of 6 taxable years beginning with the
12 taxable year in which a qualified development is placed in service. For purposes of
13 this subdivision, if a qualified development consists of more than one building, the
14 qualified development is placed in service in the taxable year in which the last
15 building of the qualified development is placed in service.

16 6. "Qualified basis" means the qualified basis determined under section 42 (c)
17 (1) of the Internal Revenue Code.

18 7. "Qualified development" means a qualified low-income housing project
19 under section 42 (g) of the Internal Revenue Code that is financed with tax-exempt
20 bonds, pursuant to section 42 (i) (2) of the Internal Revenue Code, and located in this
21 state.

22 (b) *Filing claims.* Subject to the limitations provided in this subsection and in
23 s. 234.45, for taxable years beginning after December 31, 2017, a claimant may claim
24 as a credit against the taxes imposed under s. 71.23, up to the amount of the tax, the

ASSEMBLY BILL 869**SECTION 3**

1 amount allocated to the claimant by the authority under s. 234.45 for each taxable
2 year within the credit period.

3 (c) *Limitations.* 1. No person may claim the credit under par. (b) unless the
4 claimant includes with the claimant's return a copy of the allocation certificate
5 issued to the qualified development.

6 2. A partnership, limited liability company, or tax-option corporation may not
7 claim the credit under this subsection. The partners of a partnership, members of
8 a limited liability company, or shareholders in a tax-option corporation may claim
9 the credit under this subsection based on eligible costs incurred by the partnership,
10 limited liability company, or tax-option corporation. The partnership, limited
11 liability company, or tax-option corporation shall calculate the amount of the credit
12 that may be claimed by each partner, member, or shareholder and shall provide that
13 information to the partner, member, or shareholder. For shareholders of a tax-option
14 corporation, the credit may be allocated in proportion to the ownership interest of
15 each shareholder. Credits computed by a partnership or limited liability company
16 may be claimed in proportion to the ownership interests of the partners or members
17 or allocated to partners or members as provided in a written agreement among the
18 partners or members that is entered into no later than the last day of the taxable year
19 of the partnership or limited liability company, for which the credit is claimed. Any
20 partner or member who claims the credit as allocated by a written agreement shall
21 provide a copy of the agreement with the tax return on which the credit is claimed.
22 A person claiming the credit as provided under this subdivision is solely responsible
23 for any tax liability arising from a dispute with the department of revenue related
24 to claiming the credit.

ASSEMBLY BILL 869

1 (d) *Recapture*. 1. As of the last day of any taxable year during the compliance
2 period, if the amount of the qualified basis of a qualified development with respect
3 to a claimant is less than the amount of the qualified basis as of the last day of the
4 immediately preceding taxable year, the amount of the claimant's tax liability under
5 this subchapter shall be increased by the recapture amount determined by using the
6 method under section 42 (j) of the Internal Revenue Code.

7 2. In the event that the recapture of any credit is required in any taxable year,
8 the taxpayer shall include the recaptured proportion of the credit on the return
9 submitted for the taxable year in which the recapture event is identified.

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

12 **SECTION 4.** 71.30 (3) (cs) of the statutes is created to read:

13 71.30 (3) (cs) Low-income housing credit under s. 71.28 (8b).

14 **SECTION 5.** 71.47 (8b) of the statutes is created to read:

15 71.47 (8b) LOW-INCOME HOUSING CREDIT. (a) *Definitions*. In this subsection:

16 1. "Allocation certificate" means a statement issued by the authority certifying
17 that a qualified development is eligible for a credit under this subsection and
18 specifying the amount of the credit that the owners of the qualified development may
19 claim.

20 2. "Authority" means the Wisconsin Housing and Economic Development
21 Authority.

22 3. "Claimant" means a person who has an ownership interest in a qualified
23 development and who files a claim under this subsection.

24 4. "Compliance period" means the 15-year period beginning with the first
25 taxable year of the credit period.

ASSEMBLY BILL 869**SECTION 5**

1 5. "Credit period" means the period of 6 taxable years beginning with the
2 taxable year in which a qualified development is placed in service. For purposes of
3 this subdivision, if a qualified development consists of more than one building, the
4 qualified development is placed in service in the taxable year in which the last
5 building of the qualified development is placed in service.

6 6. "Qualified basis" means the qualified basis determined under section 42 (c)
7 (1) of the Internal Revenue Code.

8 7. "Qualified development" means a qualified low-income housing project
9 under section 42 (g) of the Internal Revenue Code that is financed with tax-exempt
10 bonds, pursuant to section 42 (i) (2) of the Internal Revenue Code, and located in this
11 state.

12 (b) *Filing claims.* Subject to the limitations provided in this subsection and in
13 s. 234.45, for taxable years beginning after December 31, 2017, a claimant may claim
14 as a credit against the taxes imposed under s. 71.43, up to the amount of the tax, the
15 amount allocated to the claimant by the authority under s. 234.45 for each taxable
16 year within the credit period.

17 (c) *Limitations.* 1. No person may claim the credit under par. (b) unless the
18 claimant includes with the claimant's return a copy of the allocation certificate
19 issued to the qualified development.

20 2. A partnership, limited liability company, or tax-option corporation may not
21 claim the credit under this subsection. The partners of a partnership, members of
22 a limited liability company, or shareholders in a tax-option corporation may claim
23 the credit under this subsection based on eligible costs incurred by the partnership,
24 limited liability company, or tax-option corporation. The partnership, limited
25 liability company, or tax-option corporation shall calculate the amount of the credit

ASSEMBLY BILL 869

1 that may be claimed by each partner, member, or shareholder and shall provide that
2 information to the partner, member, or shareholder. For shareholders of a tax-option
3 corporation, the credit may be allocated in proportion to the ownership interest of
4 each shareholder. Credits computed by a partnership or limited liability company
5 may be claimed in proportion to the ownership interests of the partners or members
6 or allocated to partners or members as provided in a written agreement among the
7 partners or members that is entered into no later than the last day of the taxable year
8 of the partnership or limited liability company, for which the credit is claimed. Any
9 partner or member who claims the credit as allocated by a written agreement shall
10 provide a copy of the agreement with the tax return on which the credit is claimed.
11 A person claiming the credit as provided under this subdivision is solely responsible
12 for any tax liability arising from a dispute with the department of revenue related
13 to claiming the credit.

14 (d) *Recapture.* 1. As of the last day of any taxable year during the compliance
15 period, if the amount of the qualified basis of a qualified development with respect
16 to a claimant is less than the amount of the qualified basis as of the last day of the
17 immediately preceding taxable year, the amount of the claimant's tax liability under
18 this subchapter shall be increased by the recapture amount determined by using the
19 method under section 42 (j) of the Internal Revenue Code.

20 2. In the event that the recapture of any credit is required in any taxable year,
21 the taxpayer shall include the recaptured proportion of the credit on the return
22 submitted for the taxable year in which the recapture event is identified.

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

25 **SECTION 6.** 71.49 (1) (cs) of the statutes is created to read:

ASSEMBLY BILL 869**SECTION 6**

1 71.49 (1) (cs) Low-income housing credit under s. 71.47 (8b).

2 **SECTION 7.** 76.639 of the statutes is created to read:

3 **76.639 Low-income housing credit. (1) DEFINITIONS.** In this section:

4 (a) "Allocation certificate" means a statement issued by the authority certifying
5 that a qualified development is eligible for a credit under this subsection and
6 specifying the amount of the credit that the owners of the qualified development may
7 claim.

8 (b) "Authority" means the Wisconsin Housing and Economic Development
9 Authority.

10 (c) "Claimant" means an insurer who has an ownership interest in a qualified
11 development and who files a claim under this section.

12 (d) "Compliance period" means the 15-year period beginning with the first
13 taxable year of the credit period.

14 (e) "Credit period" means the period of 6 taxable years beginning with the
15 taxable year in which a qualified development is placed in service. For purposes of
16 this paragraph, if a qualified development consists of more than one building, the
17 qualified development is placed in service in the taxable year in which the last
18 building of the qualified development is placed in service.

19 (f) "Qualified basis" means the qualified basis determined under section 42 (c)
20 (1) of the Internal Revenue Code.

21 (g) "Qualified development" means a qualified low-income housing project
22 under section 42 (g) of the Internal Revenue Code that is financed with tax-exempt
23 bonds, pursuant to section 42 (i) (2) of the Internal Revenue Code, and located in this
24 state.

ASSEMBLY BILL 869

1 (2) FILING CLAIMS. Subject to the limitations provided in this section and in s.
2 234.45, for taxable years beginning after December 31, 2017, a claimant may claim
3 as a credit against the fees imposed under s. 76.60, 76.63, 76.65, 76.66, or 76.67 the
4 amount allocated to the claimant by the authority under s. 234.45 for each taxable
5 year within the credit period.

6 (3) LIMITATIONS. No insurer may claim the credit under sub. (2) unless the
7 claimant includes with the claimant's return a copy of the allocation certificate
8 issued to the qualified development.

9 (4) RECAPTURE. (a) As of the last day of any taxable year during the compliance
10 period, if the amount of the qualified basis of a qualified development with respect
11 to a claimant is less than the amount of the qualified basis as of the last day of the
12 immediately preceding taxable year, the amount of the claimant's tax liability under
13 s. 76.60, 76.63, 76.65, 76.66, or 76.67 shall be increased by the recapture amount
14 determined by using the method under section 42 (j) of the Internal Revenue Code.

15 (b) In the event that the recapture of any credit is required in any taxable year,
16 the taxpayer shall include the recaptured proportion of the credit on the return
17 submitted for the taxable year in which the recapture event is identified.

18 (5) CARRY-FORWARD. If the credit under sub. (2) is not entirely offset against the
19 fees under s. 76.60, 76.63, 76.65, 76.66, or 76.67 otherwise due, the unused balance
20 may be carried forward and credited against those fees for the following 15 years to
21 the extent that it is not offset by those fees otherwise due in all the years between
22 the year in which the expense was made and the year in which the carry-forward
23 credit is claimed.

24 **SECTION 8.** 76.67 (2) of the statutes is amended to read:

ASSEMBLY BILL 869**SECTION 8**

1 76.67 (2) If any domestic insurer is licensed to transact insurance business in
2 another state, this state may not require similar insurers domiciled in that other
3 state to pay taxes greater in the aggregate than the aggregate amount of taxes that
4 a domestic insurer is required to pay to that other state for the same year less the
5 credits under ss. 76.635, 76.636, 76.637, 76.638, and 76.655, except that the amount
6 imposed shall not be less than the total of the amounts due under ss. 76.65 (2) and
7 601.93 and, if the insurer is subject to s. 76.60, 0.375 percent of its gross premiums,
8 as calculated under s. 76.62, less offsets allowed under s. 646.51 (7) or under ss.
9 76.635, 76.636, 76.637, 76.638, 76.639, and 76.655 against that total, and except that
10 the amount imposed shall not be less than the amount due under s. 601.93.

11 **SECTION 9.** 234.45 of the statutes is created to read:

12 **234.45 Low-income housing tax credits. (1) DEFINITIONS.** In this section:

13 (a) "Allocation certificate" means a statement issued by the authority certifying
14 that a qualified development is eligible for a state tax credit and specifying the
15 amount of the credit that the owners of the qualified development may claim.

16 (b) "Compliance period" means the 15-year period beginning with the first
17 taxable year of the credit period.

18 (c) "Credit period" means the period of 6 taxable years beginning with the
19 taxable year in which a qualified development is placed in service. For purposes of
20 this paragraph, if a qualified development consists of more than one building, the
21 qualified development is placed in service in the taxable year in which the last
22 building of the qualified development is placed in service.

23 (d) "Qualified allocation plan" means the qualified allocation plan adopted by
24 the authority pursuant to section 42 (m) of the Internal Revenue Code.

ASSEMBLY BILL 869

1 (e) "Qualified development" means a qualified low-income housing project
2 under section 42 (g) of the Internal Revenue Code that is financed with tax-exempt
3 bonds, pursuant to section 42 (i) (2) of the Internal Revenue Code, and located in this
4 state.

5 (f) "State tax credit" means a tax credit under s. 71.07 (8b), 71.28 (8b), 71.47
6 (8b), or 76.639.

7 (2) ESTABLISHMENT OF PROGRAM. The authority shall establish a program to
8 certify persons to claim state tax credits under this section.

9 (3) CERTIFICATION. The authority may certify a person to claim a state tax credit
10 in an amount determined by the authority by issuing the person an allocation
11 certificate for the qualified development that is eligible for the state tax credit. {The
12 authority may issue an allocation certificate under this subsection only if all of the
13 following conditions are satisfied:

*INS AA 1
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AA3
5.
(identical)*

14 (a) The allocation certificate is issued to a person who has an ownership
15 interest in the qualified development.

16 (b) The state tax credit is necessary for the financial feasibility of the qualified
17 development.

18 (c) The qualified development is the subject of a recorded restrictive covenant
19 requiring that, for the compliance period or for a longer period agreed to by the
20 authority and the owner of the qualified development, the development shall be
21 maintained and operated as a qualified development and shall be in compliance with
22 Title VIII of the federal Civil Rights Act of 1968, as amended.

23 (d) The allocation certificate is issued in accordance with the authority's
24 qualified allocation plan.

*INS AA 3
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ASSEMBLY BILL 869

SECTION 9

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1 **(4) ALLOCATION LIMITS.** (The aggregate amount of all state tax credits the
 2 authority certifies persons to claim in allocation certificates issued under sub. (3) in
 3 the same calendar year may not exceed \$42,000,000, plus the total amount of all
 4 unallocated state tax credits from previous calendar years and plus the total amount
 5 of all previously allocated state tax credits that have been revoked or cancelled or
 6 otherwise recovered by the authority.

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AA3

7 **(5) PREFERENCE FOR SMALLER MUNICIPALITIES.** In issuing allocation certificates
 8 under sub. (3), the authority shall give preference to qualified developments located
 9 in a city, village, or town with a population of fewer than 150,000.

7.
(identical)

10 **(6) REPORT.** No later than December 31 of each year, the authority shall submit
 11 a report to the legislature under s. 13.172 (2) that includes all of the following:

12 (a) A statement of the number of qualified developments for which the
 13 authority issued allocation certificates that year.

14 (b) A description of each qualified development for which the authority issued
 15 an allocation certificate that year, including the geographic location of the
 16 development, the household type and any specific demographic information
 17 available concerning the residents intended to be served by the development, the
 18 income levels of residents intended to be served by the development, and the rents
 19 or set-asides authorized for each development.

20 (c) An analysis of housing market and demographic information that shows
 21 how the qualified developments for which the authority has issued allocation
 22 certificates at any time are addressing the need for affordable housing within the
 23 communities those developments are intended to serve and an analysis of any
 24 remaining disparities in the affordability of housing within those communities.

ASSEMBLY BILL 869

1 (7) POLICIES AND PROCEDURES. The authority, in consultation with the
2 department of revenue, shall establish policies and procedures to administer this
3 section.

INJ AA3

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8.

(END)



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBa1986/1
MPG:emw

ASSEMBLY AMENDMENT 1,
TO ASSEMBLY BILL 869

February 8, 2018 - Offered by JOINT COMMITTEE ON FINANCE.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 13, line 11: after "credit." insert "The allocation certificate shall state
3 the amount the authority determines the person is eligible to claim for each year of
4 the credit period".

5 **2.** Page 14, line 1: delete the material beginning with "The aggregate" and
6 ending with "\$42,000,000" on line 3 and substitute "In any calendar year, the
7 aggregate amount of all state tax credits for which the authority certifies persons in
8 allocation certificates issued under sub. (3) in that year may not exceed \$42,000,000,
9 including all amounts each person is eligible to claim for each year of the credit
10 period".

11 (END)

INS AA 1
1.

INS
AA 1
2.



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBa2200/1
MPG&JK:emw

ASSEMBLY AMENDMENT 3,
TO ASSEMBLY BILL 869

February 16, 2018 - Offered by Representative SUMMERFIELD.

1 At the locations indicated, amend the bill as follows:

2 1. Page 3, line 11: after "71.02" insert "or 71.08".

3 2. Page 4, line 21: after that line insert:

4 "SECTION 1m. 71.08 (1) (intro.) of the statutes, as affected by 2017 Wisconsin
5 Act 58, is amended to read:

6 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
7 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
8 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w),
9 (3wm), (3y), (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8b), (8r), (9e), (9m),
10 and (9r), 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), (3wm), and (3y), 71.47 (1dx),
11 (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII
12 and payments to other states under s. 71.07 (7), is less than the tax under this
13 section, there is imposed on that natural person, married couple filing jointly, trust

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1 or estate, instead of the tax under s. 71.02, an alternative minimum tax computed
2 as follows”.

3 **3.** Page 4, line 22: delete “(cs)” and substitute “(fb)”.

4 **4.** Page 4, line 23: delete “(cs)” and substitute “(fb)”.

5 **5.** Page 13, line 11: after “credit.” insert “The allocation certificate shall state
6 the amount the authority determines the person is eligible to claim for each year of
7 the credit period.”.

8 **6.** Page 13, line 24: after “plan.” insert “If practicable, the authority shall begin
9 issuing allocation certificates in conjunction with the authority’s implementation of
10 its 2018 qualified allocation plan as if the state tax credits were included in that
11 plan.”.

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12 **7.** Page 14, line 1: delete the material beginning with “The aggregate” and
13 ending with “\$42,000,000” on line 3 and substitute “In any calendar year, the
14 aggregate amount of all state tax credits for which the authority certifies persons in
15 allocation certificates issued under sub. (3) in that year may not exceed \$42,000,000,
16 including all amounts each person is eligible to claim for each year of the credit
17 period”.

18 **8.** Page 15, line 3: after “section.” insert “The policies and procedures
19 established under this subsection shall, to the extent practicable, incorporate the
20 authority’s policies and procedures for awarding federal low-income housing credits
21 under section 42 of the Internal Revenue Code. The authority shall issue allocation
22 certificates annually, on a rolling basis, based on eligibility, as determined by the

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1 authority, except that the authority may develop a competitive process to award
2 allocation certificates as a part of its qualified allocation plan”.

3 (END)