2017 SENATE BILL 609


AN ACT to amend 71.28 (5n) (c); and to create 16.5186 and 71.07 (5n) (c) 6. of the statutes; relating to: claiming the manufacturing and agriculture tax credit and transferring moneys to the veterans trust fund.

Analysis by the Legislative Reference Bureau

This bill provides that no individual may claim the manufacturing and agriculture income tax credit for any taxable year after 2016 in which the individual's adjusted gross income is $30,000,000 or more. Under current law, any person who has qualified production activities income from manufacturing or agriculture may claim the credit in an amount equal to the income multiplied by 7.5 percent.

The bill also transfers $22,000,000 from the general fund to the veterans trust fund in fiscal year 2018–19 and in each fiscal year thereafter.

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:

SECTION 1. 16.5186 of the statutes is created to read:
16.5186 Transfers to the veterans trust fund. Beginning on June 30, 2018, in each fiscal year, the secretary shall transfer from the general fund to the veterans trust fund $22,000,000.

SECTION 2. 71.07 (5n) (c) 6. of the statutes is created to read:

71.07 (5n) (c) 6. For taxable years beginning after December 31, 2016, no individual may claim the credit under this subsection for a taxable year in which the individual’s adjusted gross income is $30,000,000 or more.

SECTION 3. 71.28 (5n) (c) of the statutes is amended to read:

71.28 (5n) (c) Limitations. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their share of the income described under par. (b). A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interests, but, for taxable years beginning after December 31, 2016, no partner, member, or shareholder may claim the credit for a taxable year in which the adjusted gross income of the partner, member, or shareholder is $30,000,000 or more.

(END)