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# Wisconsin Legislative Council

## ACT MEMO

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**2019 Wisconsin Act 167**  
[2019 Senate Bill 387]

**Tax Credit for Crop Insurance  
Proceeds**

### **PRIOR LAW**

Under prior law, crop insurance proceeds were not permitted to be included in a person's production gross receipts for the purposes of the Wisconsin manufacturing and agricultural tax credit. Production gross receipts were defined as gross receipts from the lease, rental, license, sale, exchange, or other disposition of qualified production property.

### **2019 WISCONSIN ACT 167**

The act permits a person to include insurance proceeds in gross production income for purposes of the manufacturing and agricultural tax credit. Under the act, a person may include insurance proceeds in gross production income, to the extent they are included in federal taxable income for the tax year, if the proceeds are received as a result of the destruction of, or damage to, crops.

**Effective date:** As of March 5, 2020, the act applies to taxable years beginning after December 31, 2018.

DWS:mca;ksm