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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**2025 Assembly Bill 245**

**Assembly Amendment 1**

### BACKGROUND

2023 Wisconsin Act 19 created a sales and use tax exemption for the sale and the storage, use, or other consumption of tangible personal property used exclusively for the development, construction, renovation, expansion, replacement, repair, or operation of a qualified data center. [s. [77.54 \(70\)](#), Stats.]

A qualified data center is defined as one or more buildings or an array of connected buildings owned, leased, or operated by the same business entity or its affiliates for which the following apply: (1) the buildings are rehabilitated or constructed to house a group of networked server computers into one physical location or multiple locations to centralize the processing, storage, management, retrieval, communication, or dissemination of data and information; and (2) the buildings create a minimum qualified investment within five years from the date of certification from the Wisconsin Economic Development Corporation (WEDC) based on the population of the county the buildings are located in.<sup>1</sup> [s. [238.40](#), Stats.] A qualified investment is defined as the aggregate, non-duplicative eligible data center costs expended at a qualified data center by an owner, operator, tenant, or its affiliate. [s. [280.40 \(1\) \(c\)](#), Stats.]

### 2025 ASSEMBLY BILL 245

2025 Assembly Bill 245 generally modifies the definition of a qualified data center. It changes the first part of the definition related to the purpose of the buildings and required activities by allowing the buildings to house a group of individuals **or** networked server computers to do either of the following: (1) allow an owner, operator, or tenant to centralize the specified data and information activities; (2) provide an owner, operator, or tenant the opportunity to rent or own space, utilities, and other resources like cooling capacity, enhanced security features, or the ability to procure infrastructure, platforms, software, and other managed services. These changes generally allow colocation data centers to be eligible as a qualified data center for purposes of the sales and use tax exemption.

The bill also specifies that a qualified data center does not include buildings used for or to facilitate the creation of cryptocurrencies and the process to verify and secure cryptocurrency transactions and blockchains.

### ASSEMBLY AMENDMENT 1

Assembly Amendment 1 removes the changes to the definition of a qualified data center in the bill and makes different changes to that definition. First, instead of only including networked server computers, under the amendment, a qualified data center must house server computers, whether stand alone or

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<sup>1</sup> If the buildings are in a county with a population greater than 100,000, the minimum investment is \$150 million; for a county with a population between 50,000 and 100,000, the minimum investment is \$100 million; for a county with a population less than 50,000, the minimum investment is \$50 million.

networked together. Additionally, the amendment changes the purpose of server computers to instead allow an owner, operator, or tenant to centralize the specified data and information activities.

The amendment also changes the prohibition on cryptocurrency activities to be the creation of cryptocurrencies **or** the process used to verify and secure cryptocurrency transactions and blockchains. It also adds the cryptocurrency activities to the reasons the WEDC can revoke certification.

Lastly, the amendment changes the definition of a qualified investment to mean certain costs expended at a qualified data center by an owner, operator, or tenant specified in the definition of a qualified data center, or its affiliate.

## **BILL HISTORY**

On September 2, 2025, Representative Zimmerman offered Assembly Amendment 1. On November 7, 2025, the Assembly Committee on Ways and Means recommended adoption of Assembly Amendment 1 on a vote of Ayes 9; Noes 0, and recommended adoption of the bill, as amended, on a vote of Ayes 6; Noes 3.

For a full history of the bill, visit the Legislature's [bill history page](#).

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