



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-0924/P3
JK:eev&jld:jm

DOA:.....Quinn, BB0300 - Eliminate supplement to the federal historic rehabilitation credit that applies to pre-1936 buildings

FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

This bill eliminates the portion of the supplement to the federal historic rehabilitation tax credit that applies to buildings first placed in service before 1936.

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. 71.07 (9m) (a) 3. of the statutes is amended to read:

71.07 (9m) (a) 3. ~~For~~ Except as provided in par. (k), for taxable years beginning after December 31, 2013, and before January 1, 2015, any person may claim as a credit against taxes otherwise due under s. 71.02 or 71.08, up to the amount of those

taxes, an amount equal to 20 percent of the costs of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the Internal Revenue Code, for qualified rehabilitated buildings, as defined in section 47 (c) (1) of the Internal Revenue Code, on property located in this state, if the cost of the person's qualified rehabilitation expenditures is at least \$50,000 and the rehabilitated property is placed in service after December 31, 2013, and before January 1, 2015, and regardless of whether the rehabilitated property is used for multiple or revenue-producing purposes. No credit may be claimed under this subdivision for property listed as a contributing building in the state register of historic places or in the national register of historic places and no credit may be claimed under this subdivision for nonhistoric, nonresidential property converted into housing if the property has been previously used for housing.

SECTION 2. 71.07 (9m) (k) of the statutes is created to read:

71.07 (9m) (k) A person who has incurred qualified rehabilitation expenditures under par. (a) 3. before January 1, 2015, may claim the credit under par. (a) 3. for taxable years beginning after December 31, 2014, even if the property is not placed in service until after December 31, 2014.

****NOTE: This is reconciled s. 71.07 (9m) (k). This SECTION has been affected by drafts with the following LRB numbers:-0924/P2 and -0935/P4.

SECTION 3. 71.28 (6) (a) 3. of the statutes is amended to read:

71.28 (6) (a) 3. ~~For~~ Except as provided in par. (k), for taxable years beginning after December 31, 2013, and before January 1, 2015, any person may claim as a credit against taxes otherwise due under s. 71.23, up to the amount of those taxes, an amount equal to 20 percent of the costs of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the Internal Revenue Code, for qualified

rehabilitated buildings, as defined in section 47 (c) (1) of the Internal Revenue Code, on property located in this state, if the cost of the person's qualified rehabilitation expenditures is at least \$50,000 and the rehabilitated property is placed in service after December 31, 2013, and before January 1, 2015, and regardless of whether the rehabilitated property is used for multiple or revenue-producing purposes. No credit may be claimed under this subdivision for property listed as a contributing building in the state register of historic places or in the national register of historic places and no credit may be claimed under this subdivision for nonhistoric, nonresidential property converted into housing if the property has been previously used for housing.

SECTION 4. 71.28 (6) (k) of the statutes is created to read:

71.28 (6) (k) A person who has incurred qualified rehabilitation expenditures under par. (a) 3. before January 1, 2015, may claim the credit under par. (a) 3. for taxable years beginning after December 31, 2014, even if the property is not placed in service until after December 31, 2014.

****NOTE: This is reconciled s. 71.28 (6) (k). This SECTION has been affected by drafts with the following LRB numbers:-0924/P2 and -0935/P4.

SECTION 5. 71.47 (6) (a) 3. of the statutes is amended to read:

71.47 (6) (a) 3. ~~For~~ Except as provided in par. (k), for taxable years beginning after December 31, 2013, and before January 1, 2015, any person may claim as a credit against taxes otherwise due under s. 71.43, up to the amount of those taxes, an amount equal to 20 percent of the costs of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the Internal Revenue Code, for qualified rehabilitated buildings, as defined in section 47 (c) (1) of the Internal Revenue Code, on property located in this state, if the cost of the person's qualified rehabilitation

expenditures is at least \$50,000 and the rehabilitated property is placed in service after December 31, 2013, and before January 1, 2015, and regardless of whether the rehabilitated property is used for multiple or revenue-providing purposes. No credit may be claimed under this subdivision for property listed as a contributing building in the state register of historic places or in the national register of historic places and no credit may be claimed under this subdivision for nonhistoric, nonresidential property converted into housing if the property has been previously used for housing.

SECTION 6. 71.47 (6) (k) of the statutes is created to read:

71.47 **(6)** (k) A person who has incurred qualified rehabilitation expenditures under par. (a) 3. before January 1, 2015, may claim the credit under par. (a) 3. for taxable years beginning after December 31, 2014, even if the property is not placed in service until after December 31, 2014.

***NOTE: This is reconciled s. 71.47 (6) (k). This SECTION has been affected by drafts with the following LRB numbers:-0924/P2 and -0935/P4.

(END)