



State of Wisconsin
2017 - 2018 LEGISLATURE

2017 Special Session

LRB-0798/P1

MPG:ahe

DOA:.....Quinn, BB0104 - Angel and Early Stage Investment Credit
Carry-forwards

FOR 2017-2019 BUDGET -- NOT READY FOR INTRODUCTION
ENGROSSED 2017 BILL

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

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

This bill authorizes WEDC in any year, and subject to certain restrictions under current law, to reallocate to the business development tax credit program angel and early stage seed investment tax credits that were unused in the immediately preceding year. Under current law, the tax credits must be reallocated in the same year in which the tax credits went unused.

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. 238.15 (3) (d) (intro.) of the statutes is amended to read:

238.15 (3) (d) *Administration.* (intro.) The corporation, in consultation with the department of revenue, shall establish policies and procedures to administer this section and shall further define “bona fide angel investment” for purposes of s. 71.07 (5d) (a) 1. The aggregate amount of tax credits under s. 71.07 (5d) that may be claimed for investments in businesses certified under sub. (1) and of tax credits under ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638 that may be claimed for investments paid to fund managers certified under sub. (2) is \$30,000,000 per calendar year. The policies and procedures shall provide that a person who receives a credit under s. 71.07 (5b) or (5d), 71.28 (5b), 71.47 (5b), or 76.638 must keep the investment in a certified business, or with a certified fund manager, for no less than 3 years, unless the person’s investment becomes worthless, as determined by the corporation, during the 3-year period or the person has kept the investment for no less than 12 months and a bona fide liquidity event, as determined by the corporation, occurs during the 3-year period. The policies and procedures shall permit the corporation to reallocate credits under this section in any calendar year that are were unused in ~~that~~ the immediately preceding calendar year to a person eligible for tax benefits, as defined under s. 238.30 (7) (e), if all of the following apply:

(END)