



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-0704/P1
EKL:wlj

DOA:.....Quinn, BB0200 - Enterprise zone credit zone cap

FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Enterprise zones

Under current law, WEDC may designate areas as enterprise zones and certify businesses to receive income and franchise tax credits for engaging in qualifying activities in the zones. Current law allows WEDC to designate an unlimited number of enterprise zones, with each designation subject to approval by JCF under passive review. Current law also provides that an enterprise zone expires after 12 years and, upon such expiration, WEDC may designate a new zone subject to JCF approval.

This bill authorizes WEDC to designate up to 30 enterprise zones and repeals the requirement that WEDC receive approval from JCF. Under the bill, WEDC may cancel the designation of an enterprise zone if WEDC revokes the certifications for all tax benefits within the zone and may designate a new zone after the cancellation. The bill also provides that if an enterprise zone expires under the contract with the business certified to claim tax benefits, WEDC may designate a new zone, with WEDC provided this authority on a retroactive basis.

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. 238.399 (3) (a) of the statutes is amended to read:

238.399 (3) (a) The corporation may designate ~~any number of~~ no more than 30 enterprise zones in this state.

SECTION 2. 238.399 (3) (am) of the statutes is repealed.

SECTION 3. 238.399 (3) (e) of the statutes is created to read:

238.399 (3) (e) If the corporation revokes all certifications for tax benefits within a designated enterprise zone under par. (a), the corporation may cancel the designation of that enterprise zone. After canceling the designation of an enterprise zone, the corporation may designate a new enterprise zone under par. (a) subject to the limits of this subsection.

SECTION 4. 238.399 (4) (title) of the statutes is amended to read:

238.399 (4) (title) ~~TIME LIMITS; REPORTING.~~

SECTION 5. 238.399 (4) (b) of the statutes is amended to read:

238.399 (4) (b) If an enterprise zone designation expires under par. (a) or under the contract with a business certified under sub. (5), the corporation may designate a new enterprise zone under par. (a) subject to the limits of sub. (3).

SECTION 9349. Initial applicability; Wisconsin Economic Development Corporation.

(1) ENTERPRISE ZONES. The treatment of s. 238.399 (4) (b) first applies retroactively to enterprise zones for which the designation under s. 238.399 (3) (a) expired prior to the effective date of this subsection.

(END)