



State of Wisconsin  
2023 - 2024 LEGISLATURE

LRB-1512/P1  
MDE&KP:amn

DOA:.....Quinn, BB0358 - Business Development Credit Technical  
Modifications

**FOR 2023-2025 BUDGET -- NOT READY FOR INTRODUCTION**

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

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*Analysis by the Legislative Reference Bureau*  
**COMMERCE AND ECONOMIC DEVELOPMENT**  
**ECONOMIC DEVELOPMENT**

***Business development tax credit changes***

Under current law, the tax benefits WEDC may award to a person certified under the business development tax credit program include an amount equal to up to 50 percent of the person's training costs incurred to undertake activities to enhance an eligible employee's general knowledge, employability, and flexibility in the workplace; to develop skills unique to the person's workplace or equipment; or to develop skills that will increase the quality of the person's product. Under this bill, that criterion for awarding business development tax credits is changed to an amount equal to up to 50 percent of the person's training costs incurred to undertake activities to upgrade or improve the job-related skills of an eligible employee, train an eligible employee on the use of job-related new technologies, or provide job-related training to an eligible employee whose employment with the person represents the employee's first full-time job.

Also, under current law, the tax benefits WEDC may award to a person certified under the business development tax credit program include an amount determined by WEDC that is equal to a percentage of the amount of wages that the person paid

to an eligible employee in the taxable year, if the position in which the eligible employee was employed was created or retained in connection with the person's location or retention of the person's corporate headquarters in Wisconsin and the job duties associated with the eligible employee's position involve the performance of corporate headquarters functions. Under this bill, WEDC may award business development tax credits under that criterion regardless of whether the job duties associated with the eligible employee's position involve the performance of corporate headquarters functions.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

**SECTION 1.** 71.07 (3y) (b) 5. of the statutes is amended to read:

71.07 (3y) (b) 5. ~~An~~ For taxable years beginning before January 1, 2023, an amount, as determined by the Wisconsin Economic Development Corporation under s. 238.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid to an eligible employee in the taxable year if the position in which the eligible employee was employed was created or retained in connection with the claimant's location or retention of the claimant's corporate headquarters in Wisconsin and the job duties associated with the eligible employee's position involve the performance of corporate headquarters functions.

**SECTION 2.** 71.07 (3y) (b) 5m. of the statutes is created to read:

71.07 (3y) (b) 5m. For taxable years beginning after December 31, 2022, an amount, as determined by the Wisconsin Economic Development Corporation under s. 238.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid to an eligible employee in the taxable year if the position in which the eligible employee was employed was created or retained in connection with the claimant's location or retention of the claimant's corporate headquarters in Wisconsin.

**SECTION 3.** 71.28 (3y) (b) 5. of the statutes is amended to read:

71.28 (3y) (b) 5. ~~An~~ For taxable years beginning before January 1, 2023, an amount, as determined by the Wisconsin Economic Development Corporation under s. 238.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid to an eligible employee in the taxable year if the position in which the eligible employee was employed was created or retained in connection with the claimant's location or retention of the claimant's corporate headquarters in Wisconsin and the job duties associated with the eligible employee's position involve the performance of corporate headquarters functions.

**SECTION 4.** 71.28 (3y) (b) 5m. of the statutes is created to read:

71.28 (3y) (b) 5m. For taxable years beginning after December 31, 2022, an amount, as determined by the Wisconsin Economic Development Corporation under s. 238.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid to an eligible employee in the taxable year if the position in which the eligible employee was employed was created or retained in connection with the claimant's location or retention of the claimant's corporate headquarters in Wisconsin.

**SECTION 5.** 71.47 (3y) (b) 5. of the statutes is amended to read:

71.47 (3y) (b) 5. ~~An~~ For taxable years beginning before January 1, 2023, an amount, as determined by the Wisconsin Economic Development Corporation under s. 238.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid to an eligible employee in the taxable year if the position in which the eligible employee was employed was created or retained in connection with the claimant's location or retention of the claimant's corporate headquarters in Wisconsin and the job duties associated with the eligible employee's position involve the performance of corporate headquarters functions.

**SECTION 6.** 71.47 (3y) (b) 5m. of the statutes is created to read:

71.47 **(3y)** (b) 5m. For taxable years beginning after December 31, 2022, an amount, as determined by the Wisconsin Economic Development Corporation under s. 238.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid to an eligible employee in the taxable year if the position in which the eligible employee was employed was created or retained in connection with the claimant's location or retention of the claimant's corporate headquarters in Wisconsin.

**SECTION 7.** 238.308 (4) (a) 3. of the statutes is amended to read:

238.308 **(4)** (a) 3. An amount equal to up to 50 percent of the person's training costs incurred to undertake activities to enhance an eligible employee's general knowledge, employability, and flexibility in the workplace; to develop skills unique to the person's workplace or equipment; or to develop skills that will increase the quality of the person's product upgrade or improve the job-related skills of an eligible employee, train an eligible employee on the use of job-related new technologies, or provide job-related training to an eligible employee whose employment with the person represents the employee's first full-time job.

**SECTION 8.** 238.308 (4) (a) 5. of the statutes is amended to read:

238.308 **(4)** (a) 5. An amount, as determined by the corporation, equal to a percentage of the amount of wages that the person paid to an eligible employee in the taxable year, if the position in which the eligible employee was employed was created or retained in connection with the person's location or retention of the person's corporate headquarters in Wisconsin and the job duties associated with the eligible employee's position involve the performance of corporate headquarters functions.

(END)