
Wisconsin Legislative Council

AMENDMENT MEMO



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2025 Senate Bill 204

**Senate Substitute
Amendment 1**

2025 SENATE BILL 204

2025 Senate Bill 204 creates a refundable video game production tax credit, calculated as the sum of 30 percent of eligible wages, plus 30 percent of eligible expenditures. Both eligible wages and eligible expenditures must be paid by the claimant and must directly relate to developing, producing, or creating a video product or platform in Wisconsin. Additionally, eligible wages must be subject to Wisconsin income tax withholding, and eligible expenditures do not include numerous expenditures, including wages, capital expenditures, and marketing costs.

The bill defines video game product or platform as an electronic game developed for commercial distribution and entertainment and excludes various specific products or platforms, including a product or platform designed for educational purposes.

In order to claim the credit, a claimant must file an application with the Department of Revenue (DOR), and DOR must approve the application. An application may not be approved unless the applicant operates a business in Wisconsin, maintains a physical business location in Wisconsin, and owns or is actively seeking a copyright in a video game production or platform, among other requirements. The approved application must be submitted with the claimant's tax return. Also, the bill requires a claimant to hire a certified public accountant (CPA) who is approved by DOR to conduct an audit and certify total eligible wages paid and expenditures incurred by the claimant.

The bill generally allows the credit to be claimed by a partnership or its partners, a limited liability company (LLC) or its members, and a tax-option corporation or its shareholders, if they are residents of the state.

SENATE SUBSTITUTE AMENDMENT 1

Senate Substitute Amendment 1 makes the following changes to the bill:

- The tax credit is no longer available for eligible expenditures.
- The definition of “video game product or platform” is modified to exclude a product or platform intended for use by a gambling machine, as defined in statute. This definition is also modified to no longer exclude a product or platform designed for educational purposes.
- The DOR application process is removed.
- The requirement that there be an audit and certification of eligible wages by a DOR-approved CPA is removed.
- The tax credit may not be claimed by a partnership's partners, LLC's members, or tax-option corporation's shareholders.

BILL HISTORY

Senator Testin offered Senate Substitute Amendment 1 on June 9, 2025. On June 11, 2025, the Senate Committee on Agriculture and Revenue unanimously recommended adoption of Senate Substitute Amendment 1, and recommended passage of the bill, as amended, on a vote of Ayes, 5; Noes, 3.

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

PW:jal