



**JIM DOYLE**  
**GOVERNOR**  
**STATE OF WISCONSIN**

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May 12, 2010

TO THE HONORABLE MEMBERS OF THE ASSEMBLY:

I have approved Assembly Bill 757 as 2009 Wisconsin Act 295 and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in Section 15, as it relates to s. 560.2065 (2m).

Agriculture has a long, rich history in Wisconsin, generating nearly \$60 billion a year in economic activity. The state's food processing industry is a diverse sector of dairy, meat, fruit and vegetables, and growing this sector has been one of my top economic development priorities. This tax credit recognizes the importance of agriculture and food processing in Wisconsin by allowing companies to invest in new technologies, expand operations, save energy and create jobs in food processing plant and food warehouse modernization and expansion. This strategy has worked for similar investment tax credits for dairy and livestock farms, dairy manufacturing, and meat processing and now it is time to extend it to this important sector of the economy and position Wisconsin to emerge from this recession as an industry leader.

Unfortunately, a provision was added to the bill that prohibits a taxpayer who has unintentionally hired an unauthorized worker from claiming the credit. Seeking to address national immigration policy issues by limiting the access of Wisconsin's food processing industry to job creating tax credits is unfair and could weaken Wisconsin's agriculture economy. I have exercised the partial veto to remove this provision.

Assembly Bill 757 provides an income and franchise tax credit for 10 percent of the amount that a person pays in the taxable year for food processing plant and food warehouse modernization or expansion related to the person's food processing operation, up to \$200,000, for tax years beginning after December 31, 2009, and before January 1, 2017. The total amount of tax credit available under the bill as amended is \$1,000,000 in fiscal year 2009-10, \$1,200,000 in fiscal year 2010-11, and \$700,000 in fiscal year 2011-12 and each year thereafter. The bill as amended specifies that no taxpayer may be certified to claim tax credits under the bill if, in the year a credit could be claimed or in the five years preceding that year, the taxpayer has been found to have violated 8 U.S.C. 1324a (a), relating to the unlawful employment of unauthorized aliens. The bill as amended also exempts the bill from the statutory fund balance requirement.

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I am partially vetoing section 15, as it relates to s. 560.2056 (2m), because I object to the limitations it places on Wisconsin companies that expand their food processing operations.

I believe the partial veto I made to Assembly Bill 757 maintains the intent of the bill without unfairly targeting food processors and distributors.

Respectfully submitted,

JIM DOYLE  
Governor