



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

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May 10, 2010

TO THE HONORABLE MEMBERS OF THE SENATE:

I have approved Senate Bill 409 as 2009 Wisconsin Act 265 and have deposited it in the Office of the Secretary of State. While I applaud the bill's significant efforts to promote economic development, I have exercised the partial veto to help limit the effect of this bill on the general fund balance and preserve equity between investment tax credit programs.

Senate Bill 409, the CORE Jobs Bill, creates and expands a number of tax credit programs, grant programs and loan programs aimed at spurring economic development and job creation. Major investments are made in advanced manufacturing skill training, support for job skills enhancement training, tax credits for post-secondary education, grants to support conversion of manufacturing facilities to produce renewable energy or manufacture equipment used to produce renewable energy, and incentives to jump-start and grow new businesses. Among the changes is an increase to the early stage seed tax credit from 25 percent to 40 percent of the investment in a qualified new business venture.

Unfortunately, while the bill increases the early stage seed tax credit it does not include a parallel increase to the angel investment tax credit. These two programs have historically contained symmetrical incentives for both early stage seed investors and angel investors. I object to the inequity the enrolled bill creates between these parallel tax credit programs. I am therefore vetoing sections 23g, 23h, 28g, 28h, 32g and 32h to ensure parity between the incentives for angel investors and early state seed investors. This veto will also help to limit the fiscal effect of the bill on the general fund balance.

I believe the partial vetoes I have made to SB 409 maintain the economic development benefits of the bill, while controlling the fiscal impact to the general fund and preserving equity for investors in new business ventures.

Respectfully submitted,

JIM DOYLE  
Governor