



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #288

### Enterprise Zone Tax Credits (General Fund Taxes -- Individual Income and Corporate Income and Franchise Taxes)

[LFB 2013-15 Budget Summary: Page 179, #15 & #16]

#### CURRENT LAW

The enterprise zone program provides refundable tax credits that can be claimed, under the state individual income and corporate income/franchise taxes, for eligible expenses for increased employment, retaining employees, employee training, capital investment, and purchases from Wisconsin vendors. The Wisconsin Economic Development Corporation is responsible for designating enterprise zones, certifying claimants, allocating and verifying tax credits, and performing other general administrative functions related to the enterprise zone program.

#### GOVERNOR

Provide \$44,400,000 GPR in 2013-14 and \$51,200,000 GPR in 2014-15 in the enterprise zone jobs credit appropriation for estimated tax credit claims.

#### MODIFICATION

Reestimate the sum sufficient appropriation for the enterprise zone jobs credit appropriation to be \$40,000,000 in 2013-14. Compared to the bill, the reestimate would reduce the enterprise zone jobs credit appropriation by \$4,400,000 GPR in 2013-14.

**Explanation:** The reestimates are based on more recent data of enterprise zone credit allocations and payments.

|     |                       |
|-----|-----------------------|
|     | <b>Change to Bill</b> |
|     | Funding               |
| GPR | - \$4,400,000         |

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