



## 2009 ASSEMBLY BILL 757

February 17, 2010 - Introduced by Representatives VRUWINK, HILGENBERG, MOLEPSKE JR., HEBL, GARTHWAITE, JORGENSEN, DANOU, A. OTT, BLACK, SINICKI, TURNER, BIES, ZEPNICK, RIPP, NERISON and BERCEAU, cosponsored by Senators LASSA, SCHULTZ, HARSDFORF and TAYLOR. Referred to Committee on Agriculture.

1     **AN ACT to amend** 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.10 (4) (i), 71.21 (4), 71.26  
2           (2) (a) 4., 71.30 (3) (f), 71.34 (1k) (g), 71.45 (2) (a) 10., 71.49 (1) (f) and 77.92 (4);  
3           and **to create** 20.835 (2) (bc), 71.07 (3rm), 71.28 (3rm), 71.47 (3rm) and  
4           560.2056 of the statutes; **relating to:** a food processing plant and food  
5           warehouse investment tax credit, requiring the exercise of rule-making  
6           authority, and making an appropriation.

---

### *Analysis by the Legislative Reference Bureau*

This bill 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.

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

---

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

7           **SECTION 1.** 20.835 (2) (bc) of the statutes is created to read:

**ASSEMBLY BILL 757****SECTION 1**

1           20.835 (2) (bc) *Food processing plant and food warehouse investment credit*. A  
2           sum sufficient to make the payments under ss. 71.07 (3rm), 71.28 (3rm), and 71.47  
3           (3rm).

4           **SECTION 2.** 71.05 (6) (a) 15. of the statutes, as affected by 2009 Wisconsin Act  
5           28, is amended to read:

6           71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),  
7           (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3rm) (3p), (3q), (3r),  
8           (3s), (3t), (3w), (5e), (5f), (5h), (5i), (5j), (5k), and (8r) and not passed through by a  
9           partnership, limited liability company, or tax-option corporation that has added that  
10          amount to the partnership's, company's, or tax-option corporation's income under s.  
11          71.21 (4) or 71.34 (1k) (g).

12          **SECTION 3.** 71.07 (3rm) of the statutes is created to read:

13          71.07 (3rm) **FOOD PROCESSING PLANT AND FOOD WAREHOUSE INVESTMENT CREDIT.**

14          (a) *Definitions.* In this subsection:

15           1. "Claimant" means a person who files a claim under this subsection.

16           2. "Food processing plant" has the meaning given in s. 97.29 (1) (h), except that  
17           it does not include dairy plants licensed under s. 97.20 or meat establishments  
18           licensed under s. 97.42.

19           3. "Food warehouse" has the meaning given in s. 97.27 (1) (b).

20           4. "Food processing plant or food warehouse modernization or expansion"  
21           means constructing, improving, or acquiring buildings or facilities, or acquiring  
22           equipment, for food processing or food warehousing, including the following, if used  
23           exclusively for food processing or food warehousing and if acquired and placed in  
24           service in this state during taxable years that begin after December 31, 2009, and  
25           before January 1, 2017:

**ASSEMBLY BILL 757**

- 1           a. Food intake, handling, storage, and warehouse facilities.
- 2           b. Building additions.
- 3           c. Upgrades to utilities, including water, electric, heat, refrigeration, freezing,  
4 and waste facilities.
- 5           d. Installing energy savings equipment or equipment that converts waste to  
6 energy.
- 7           e. Food or raw material intake and storage equipment.
- 8           f. Processing and manufacturing equipment, including vats, cookers, freezers,  
9 pipes, motors, pumps, and valves.
- 10          g. Packaging and handling equipment, including cleaning, sealing, bagging,  
11 boxing, labeling, conveying, and product movement equipment.
- 12          h. Warehouse equipment, including storage racks and loading and unloading  
13 equipment.
- 14          i. Waste treatment and waste management equipment, including tanks,  
15 blowers, separators, dryers, digesters, and equipment to produce energy, fuel, or  
16 industrial products.
- 17          j. Computer software or hardware for managing the claimant’s food processing  
18 or food warehousing operation, including software and hardware related to logistics,  
19 inventory management, production plant controls, and temperature monitoring  
20 controls.
- 21          5. “Used exclusively” means used to the exclusion of all other uses except for  
22 use not exceeding 5 percent of total use.
- 23          (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
24 506.2056, for taxable years beginning after December 31, 2009, and before January  
25 1, 2017, a claimant may claim as a credit against the tax imposed under ss. 71.02 and

**ASSEMBLY BILL 757****SECTION 3**

1 71.08, up to the amount of the tax, an amount equal to 10 percent of the amount the  
2 claimant paid in the taxable year for food processing or food warehousing  
3 modernization or expansion related to the operation of the claimant's food processing  
4 plant or food warehouse.

5 (c) *Limitations.* 1. No credit may be allowed under this subsection for any  
6 amount that the claimant paid for expenses described under par. (b) that the  
7 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

8 2. The aggregate amount of credits that a claimant may claim under this  
9 subsection is \$200,000.

10 3. a. The maximum amount of the credits that may be allocated under this  
11 subsection and ss. 71.28 (3rm) and 71.47 (3rm) in fiscal year 2009-10 is \$600,000,  
12 as allocated under s. 560.2056.

13 b. The maximum amount of the credits that may be allocated under this  
14 subsection and ss. 71.28 (3rm) and 71.47 (3rm) in fiscal year 2010-11, and in each  
15 fiscal year thereafter, is \$700,000, as allocated under s. 560.2056.

16 4. Partnerships, limited liability companies, and tax-option corporations may  
17 not claim the credit under this subsection, but the eligibility for, and the amount of,  
18 the credit are based on their payment of expenses under par. (b), except that the  
19 aggregate amount of credits that the entity may compute shall not exceed \$200,000.  
20 A partnership, limited liability company, or tax-option corporation shall compute  
21 the amount of credit that each of its partners, members, or shareholders may claim  
22 and shall provide that information to each of them. Partners, members of limited  
23 liability companies, and shareholders of tax-option corporations may claim the  
24 credit in proportion to their ownership interest.

**ASSEMBLY BILL 757**

1           5. If 2 or more persons own and operate the food processing plant or food  
2           warehouse, each person may claim a credit under par. (b) in proportion to his or her  
3           ownership interest, except that the aggregate amount of the credits claimed by all  
4           persons who own and operate the food processing operation shall not exceed  
5           \$200,000.

6           6. No credit may be allowed under this subsection unless the claimant submits  
7           with the claimant's return a copy of the claimant's credit certification and allocation  
8           under s. 560.2056.

9           (d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the  
10          credit under s. 71.28 (4), applies to the credit under this subsection.

11          2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise  
12          due under s. 71.02 or 71.08, the amount of the claim not used to offset the tax due  
13          shall be certified by the department of revenue to the department of administration  
14          for payment by check, share draft, or other draft drawn from the appropriation  
15          account under s. 20.835 (2) (bc).

16          **SECTION 4.** 71.08 (1) (intro.) of the statutes, as affected by 2009 Wisconsin Act  
17          28, is amended to read:

18          71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married  
19          couple filing jointly, trust, or estate under s. 71.02, not considering the credits under  
20          ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2dy), (3m), (3n), (3p),  
21          (3q), (3r), ~~(3rm)~~, (3s), (3t), (3w), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (6), (6e), (8r), and  
22          (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (2m), (3), (3n), (3t), and  
23          (3w), 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (2m), (3), (3n), (3t), and  
24          (3w), 71.57 to 71.61, and 71.613 and subch. VIII and payments to other states under  
25          s. 71.07 (7), is less than the tax under this section, there is imposed on that natural

**ASSEMBLY BILL 757****SECTION 4**

1 person, married couple filing jointly, trust or estate, instead of the tax under s. 71.02,  
2 an alternative minimum tax computed as follows:

3 **SECTION 5.** 71.10 (4) (i) of the statutes, as affected by 2009 Wisconsin Act 28,  
4 is amended to read:

5 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland  
6 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and  
7 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief  
8 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.  
9 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment  
10 credit under s. 71.07 (3r), food processing plant and food warehouse investment  
11 credit under s. 71.07 (3rm), film production services credit under s. 71.07 (5f), film  
12 production company investment credit under s. 71.07 (5h), veterans and surviving  
13 spouses property tax credit under s. 71.07 (6e), enterprise zone jobs credit under s.  
14 71.07 (3w), beginning farmer and farm asset owner tax credit under s. 71.07 (8r),  
15 earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09,  
16 and taxes withheld under subch. X.

17 **SECTION 6.** 71.21 (4) of the statutes, as affected by 2009 Wisconsin Act 28, is  
18 amended to read:

19 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
20 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3s), (3t),  
21 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), and (8r) and passed through to partners shall  
22 be added to the partnership's income.

23 **SECTION 7.** 71.26 (2) (a) 4. of the statutes, as affected by 2009 Wisconsin Act 28,  
24 is amended to read:

**ASSEMBLY BILL 757**

1           71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),  
2           (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),  
3           (3rm), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), and (8r) and not passed through  
4           by a partnership, limited liability company, or tax-option corporation that has added  
5           that amount to the partnership's, limited liability company's, or tax-option  
6           corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

7           **SECTION 8.** 71.28 (3rm) of the statutes is created to read:

8           71.28 (3rm) FOOD PROCESSING PLANT AND FOOD WAREHOUSE INVESTMENT CREDIT.

9           (a) *Definitions.* In this subsection:

10           1. "Claimant" means a person who files a claim under this subsection.

11           2. "Food processing plant" has the meaning given in s. 97.29 (1) (h), except that  
12           it does not include dairy plants licensed under s. 97.20 or meat establishments  
13           licensed under s. 97.42.

14           3. "Food warehouse" has the meaning given in s. 97.27 (1) (b).

15           4. "Food processing plant or food warehouse modernization or expansion"  
16           means constructing, improving, or acquiring buildings or facilities, or acquiring  
17           equipment, for food processing or food warehousing, including the following, if used  
18           exclusively for food processing or food warehousing and if acquired and placed in  
19           service in this state during taxable years that begin after December 31, 2009, and  
20           before January 1, 2017:

21           a. Food intake, handling, storage, and warehouse facilities.

22           b. Building additions.

23           c. Upgrades to utilities, including water, electric, heat, refrigeration, freezing,  
24           and waste facilities.

**ASSEMBLY BILL 757****SECTION 8**

1           d. Installing energy savings equipment or equipment that converts waste to  
2 energy.

3           e. Food or raw material intake and storage equipment.

4           f. Processing and manufacturing equipment, including vats, cookers, freezers,  
5 pipes, motors, pumps, and valves.

6           g. Packaging and handling equipment, including cleaning, sealing, bagging,  
7 boxing, labeling, conveying, and product movement equipment.

8           h. Warehouse equipment, including storage racks and loading and unloading  
9 equipment.

10          i. Waste treatment and waste management equipment, including tanks,  
11 blowers, separators, dryers, digesters, and equipment to produce energy, fuel, or  
12 industrial products.

13          j. Computer software or hardware for managing the claimant's food processing  
14 or food warehousing operation, including software and hardware related to logistics,  
15 inventory management, production plant controls, and temperature monitoring  
16 controls.

17          5. "Used exclusively" means used to the exclusion of all other uses except for  
18 use not exceeding 5 percent of total use.

19          (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
20 506.2056, for taxable years beginning after December 31, 2009, and before January  
21 1, 2017, a claimant may claim as a credit against the tax imposed under s. 71.23, up  
22 to the amount of the tax, an amount equal to 10 percent of the amount the claimant  
23 paid in the taxable year for food processing or food warehousing modernization or  
24 expansion related to the operation of the claimant's food processing plant or food  
25 warehouse.



**ASSEMBLY BILL 757**

1           (c) *Limitations.* 1. No credit may be allowed under this subsection for any  
2 amount that the claimant paid for expenses described under par. (b) that the  
3 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

4           2. The aggregate amount of credits that a claimant may claim under this  
5 subsection is \$200,000.

6           3. a. The maximum amount of the credits that may be allocated under this  
7 subsection and ss. 71.07 (3rm) and 71.47 (3rm) in fiscal year 2009-10 is \$600,000,  
8 as allocated under s. 560.2056.

9           b. The maximum amount of the credits that may be allocated under this  
10 subsection and ss. 71.07 (3rm) and 71.47 (3rm) in fiscal year 2010-11, and in each  
11 fiscal year thereafter, is \$700,000, as allocated under s. 560.2056.

12           4. Partnerships, limited liability companies, and tax-option corporations may  
13 not claim the credit under this subsection, but the eligibility for, and the amount of,  
14 the credit are based on their payment of expenses under par. (b), except that the  
15 aggregate amount of credits that the entity may compute shall not exceed \$200,000.  
16 A partnership, limited liability company, or tax-option corporation shall compute  
17 the amount of credit that each of its partners, members, or shareholders may claim  
18 and shall provide that information to each of them. Partners, members of limited  
19 liability companies, and shareholders of tax-option corporations may claim the  
20 credit in proportion to their ownership interest.

21           5. If 2 or more persons own and operate the food processing plant or food  
22 warehouse, each person may claim a credit under par. (b) in proportion to his or her  
23 ownership interest, except that the aggregate amount of the credits claimed by all  
24 persons who own and operate the food processing operation shall not exceed  
25 \$200,000.

**ASSEMBLY BILL 757****SECTION 8**

1           6. No credit may be allowed under this subsection unless the claimant submits  
2 with the claimant's return a copy of the claimant's credit certification and allocation  
3 under s. 560.2056.

4           (d) *Administration.* 1. Subsection (4) (e), (g), and (h), as it applies to the credit  
5 under sub. (4), applies to the credit under this subsection.

6           2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise  
7 due under s. 71.23, the amount of the claim not used to offset the tax due shall be  
8 certified by the department of revenue to the department of administration for  
9 payment by check, share draft, or other draft drawn from the appropriation account  
10 under s. 20.835 (2) (bc).

11           **SECTION 9.** 71.30 (3) (f) of the statutes, as affected by 2009 Wisconsin Act 28,  
12 is amended to read:

13           71.30 (3) (f) The total of farmland preservation credit under subch. IX,  
14 farmland tax relief credit under s. 71.28 (2m), dairy manufacturing facility  
15 investment credit under s. 71.28 (3p), jobs credit under s. 71.28 (3q), meat processing  
16 facility investment credit under s. 71.28 (3r), food processing plant and food  
17 warehouse investment credit under s. 71.28 (3rm), enterprise zone jobs credit under  
18 s. 71.28 (3w), film production services credit under s. 71.28 (5f), film production  
19 company investment credit under s. 71.28 (5h), beginning farmer and farm asset  
20 owner tax credit under s. 71.28 (8r), and estimated tax payments under s. 71.29.

21           **SECTION 10.** 71.34 (1k) (g) of the statutes, as affected by 2009 Wisconsin Act 28,  
22 is amended to read:

23           71.34 (1k) (g) An addition shall be made for credits computed by a tax-option  
24 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),

**ASSEMBLY BILL 757**

1 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k),  
2 and (8r) and passed through to shareholders.

3 **SECTION 11.** 71.45 (2) (a) 10. of the statutes, as affected by 2009 Wisconsin Act  
4 28, is amended to read:

5 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit  
6 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3w),  
7 (5e), (5f), (5g), (5h), (5i), (5j), (5k), and (8r) and not passed through by a partnership,  
8 limited liability company, or tax-option corporation that has added that amount to  
9 the partnership's, limited liability company's, or tax-option corporation's income  
10 under s. 71.21 (4) or 71.34 (1k) (g) and the amount of credit computed under s. 71.47  
11 (1), (3), (3t), (4), (4m), and (5).

12 **SECTION 12.** 71.47 (3rm) of the statutes is created to read:

13 71.47 (3rm) FOOD PROCESSING PLANT AND FOOD WAREHOUSE INVESTMENT CREDIT.

14 (a) *Definitions.* In this subsection:

15 1. "Claimant" means a person who files a claim under this subsection.

16 2. "Food processing plant" has the meaning given in s. 97.29 (1) (h), except that  
17 it does not include dairy plants licensed under s. 97.20 or meat establishments  
18 licensed under s. 97.42.

19 3. "Food warehouse" has the meaning given in s. 97.27 (1) (b).

20 4. "Food processing plant or food warehouse modernization or expansion"  
21 means constructing, improving, or acquiring buildings or facilities, or acquiring  
22 equipment, for food processing or food warehousing, including the following, if used  
23 exclusively for food processing or food warehousing and if acquired and placed in  
24 service in this state during taxable years that begin after December 31, 2009, and  
25 before January 1, 2017:

**ASSEMBLY BILL 757****SECTION 12**

1 a. Food intake, handling, storage, and warehouse facilities.

2 b. Building additions.

3 c. Upgrades to utilities, including water, electric, heat, refrigeration, freezing,  
4 and waste facilities.

5 d. Installing energy savings equipment or equipment that converts waste to  
6 energy.

7 e. Food or raw material intake and storage equipment.

8 f. Processing and manufacturing equipment, including vats, cookers, freezers,  
9 pipes, motors, pumps, and valves.

10 g. Packaging and handling equipment, including cleaning, sealing, bagging,  
11 boxing, labeling, conveying, and product movement equipment.

12 h. Warehouse equipment, including storage racks and loading and unloading  
13 equipment.

14 i. Waste treatment and waste management equipment, including tanks,  
15 blowers, separators, dryers, digesters, and equipment to produce energy, fuel, or  
16 industrial products.

17 j. Computer software or hardware for managing the claimant's food processing  
18 or food warehousing operation, including software and hardware related to logistics,  
19 inventory management, production plant controls, and temperature monitoring  
20 controls.

21 5. "Used exclusively" means used to the exclusion of all other uses except for  
22 use not exceeding 5 percent of total use.

23 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
24 506.2056, for taxable years beginning after December 31, 2009, and before January  
25 1, 2017, a claimant may claim as a credit against the tax imposed under s. 71.43, up

**ASSEMBLY BILL 757**

1 to the amount of the tax, an amount equal to 10 percent of the amount the claimant  
2 paid in the taxable year for food processing or food warehousing modernization or  
3 expansion related to the operation of the claimant's food processing plant or food  
4 warehouse.

5 (c) *Limitations.* 1. No credit may be allowed under this subsection for any  
6 amount that the claimant paid for expenses described under par. (b) that the  
7 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

8 2. The aggregate amount of credits that a claimant may claim under this  
9 subsection is \$200,000.

10 3. a. The maximum amount of the credits that may be allocated under this  
11 subsection and ss. 71.07 (3rm) and 71.28 (3rm) in fiscal year 2009-10 is \$600,000,  
12 as allocated under s. 560.2056.

13 b. The maximum amount of the credits that may be allocated under this  
14 subsection and ss. 71.07 (3rm) and 71.28 (3rm) in fiscal year 2010-11, and in each  
15 fiscal year thereafter, is \$700,000, as allocated under s. 560.2056.

16 4. Partnerships, limited liability companies, and tax-option corporations may  
17 not claim the credit under this subsection, but the eligibility for, and the amount of,  
18 the credit are based on their payment of expenses under par. (b), except that the  
19 aggregate amount of credits that the entity may compute shall not exceed \$200,000.  
20 A partnership, limited liability company, or tax-option corporation shall compute  
21 the amount of credit that each of its partners, members, or shareholders may claim  
22 and shall provide that information to each of them. Partners, members of limited  
23 liability companies, and shareholders of tax-option corporations may claim the  
24 credit in proportion to their ownership interest.

**ASSEMBLY BILL 757****SECTION 12**

1           5. If 2 or more persons own and operate the food processing plant or food  
2 warehouse, each person may claim a credit under par. (b) in proportion to his or her  
3 ownership interest, except that the aggregate amount of the credits claimed by all  
4 persons who own and operate the food processing operation shall not exceed  
5 \$200,000.

6           6. No credit may be allowed under this subsection unless the claimant submits  
7 with the claimant's return a copy of the claimant's credit certification and allocation  
8 under s. 560.2056.

9           (d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the  
10 credit under s. 71.28 (4), applies to the credit under this subsection.

11           2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise  
12 due under s. 71.43, the amount of the claim not used to offset the tax due shall be  
13 certified by the department of revenue to the department of administration for  
14 payment by check, share draft, or other draft drawn from the appropriation account  
15 under s. 20.835 (2) (bc).

16           **SECTION 13.** 71.49 (1) (f) of the statutes, as affected by 2009 Wisconsin Act 28,  
17 is amended to read:

18           71.49 (1) (f) The total of farmland preservation credit under subch. IX,  
19 farmland tax relief credit under s. 71.47 (2m), dairy manufacturing facility  
20 investment credit under s. 71.47 (3p), jobs credit under s. 71.47 (3q), meat processing  
21 facility investment credit under s. 71.47 (3r), food processing plant and food  
22 warehouse investment credit under s. 71.47 (3rm), enterprise zone jobs credit under  
23 s. 71.47 (3w), film production services credit under s. 71.47 (5f), film production  
24 company investment credit under s. 71.47 (5h), beginning farmer and farm asset  
25 owner tax credit under s. 71.47 (8r), and estimated tax payments under s. 71.48.

**ASSEMBLY BILL 757**

1           **SECTION 14.** 77.92 (4) of the statutes, as affected by 2009 Wisconsin Act 28, is  
2 amended to read:

3           77.92 (4) “Net business income,” with respect to a partnership, means taxable  
4 income as calculated under section 703 of the Internal Revenue Code; plus the items  
5 of income and gain under section 702 of the Internal Revenue Code, including taxable  
6 state and municipal bond interest and excluding nontaxable interest income or  
7 dividend income from federal government obligations; minus the items of loss and  
8 deduction under section 702 of the Internal Revenue Code, except items that are not  
9 deductible under s. 71.21; plus guaranteed payments to partners under section 707  
10 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),  
11 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
12 (3rm), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), and (8r); and plus or minus,  
13 as appropriate, transitional adjustments, depreciation differences, and basis  
14 differences under s. 71.05 (13), (15), (16), (17), and (19); but excluding income, gain,  
15 loss, and deductions from farming. “Net business income,” with respect to a natural  
16 person, estate, or trust, means profit from a trade or business for federal income tax  
17 purposes and includes net income derived as an employee as defined in section 3121  
18 (d) (3) of the Internal Revenue Code.

19           **SECTION 15.** 560.2056 of the statutes is created to read:

20           **560.2056 Food processing plant and food warehouse investment**  
21 **credit.** (1) The department of commerce shall implement a program to certify  
22 taxpayers as eligible for the food processing plant and food warehouse investment  
23 credit under ss. 71.07 (3rm), 71.28 (3rm), and 71.47 (3rm).

24           (2) If the department of commerce certifies a taxpayer under sub. (1), the  
25 department of commerce shall determine the amount of credits to allocate to that

**ASSEMBLY BILL 757****SECTION 15**

1 taxpayer. The total amount of food processing plant and food warehouse investment  
2 credits allocated to taxpayers in fiscal year 2009–10 may not exceed \$600,000 and  
3 the total amount of food processing plant and food warehouse investment credits  
4 allocated to taxpayers in fiscal year 2010–11, and in each fiscal year thereafter, may  
5 not exceed \$700,000.

6 (3) The department of commerce shall inform the department of revenue of  
7 every taxpayer certified under sub. (1) and the amount of credits allocated to the  
8 taxpayer.

9 (4) The department of commerce, in consultation with the department of  
10 revenue, shall promulgate rules to administer this section.

11 (END)