



2017 SENATE BILL 609

November 30, 2017 - Introduced by Senators HANSEN, CARPENTER and LARSON, cosponsored by Representatives ZAMARRIPA, SPREITZER, ANDERSON, BERCEAU, CROWLEY, KOLSTE, OHNSTAD, SINICKI and C. TAYLOR. Referred to Committee on Government Operations, Technology and Consumer Protection.

1 **AN ACT** *to amend* 71.28 (5n) (c); and *to create* 16.5186 and 71.07 (5n) (c) 6. of
2 the statutes; **relating to:** claiming the manufacturing and agriculture tax
3 credit and transferring moneys to the veterans trust fund.

Analysis by the Legislative Reference Bureau

This bill provides that no individual may claim the manufacturing and agriculture income tax credit for any taxable year after 2016 in which the individual's adjusted gross income is \$30,000,000 or more. Under current law, any person who has qualified production activities income from manufacturing or agriculture may claim the credit in an amount equal to the income multiplied by 7.5 percent.

The bill also transfers \$22,000,000 from the general fund to the veterans trust fund in fiscal year 2018-19 and in each fiscal year thereafter.

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:

4 **SECTION 1.** 16.5186 of the statutes is created to read:

SENATE BILL 609**SECTION 1**

1 **16.5186 Transfers to the veterans trust fund.** Beginning on June 30, 2018,
2 in each fiscal year, the secretary shall transfer from the general fund to the veterans
3 trust fund \$22,000,000.

4 **SECTION 2.** 71.07 (5n) (c) 6. of the statutes is created to read:

5 71.07 **(5n)** (c) 6. For taxable years beginning after December 31, 2016, no
6 individual may claim the credit under this subsection for a taxable year in which the
7 individual's adjusted gross income is \$30,000,000 or more.

8 **SECTION 3.** 71.28 (5n) (c) of the statutes is amended to read:

9 71.28 **(5n)** (c) *Limitations.* Partnerships, limited liability companies, and
10 tax-option corporations may not claim the credit under this subsection, but the
11 eligibility for, and the amount of, the credit are based on their share of the income
12 described under par. (b). A partnership, limited liability company, or tax-option
13 corporation shall compute the amount of credit that each of its partners, members,
14 or shareholders may claim and shall provide that information to each of them.
15 Partners, members of limited liability companies, and shareholders of tax-option
16 corporations may claim the credit in proportion to their ownership interests, but, for
17 taxable years beginning after December 31, 2016, no partner, member, or
18 shareholder may claim the credit for a taxable year in which the adjusted gross
19 income of the partner, member, or shareholder is \$30,000,000 or more.

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(END)