



State of Wisconsin
2009 - 2010 LEGISLATURE

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**SENATE AMENDMENT 9,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2009 ASSEMBLY BILL 75**

June 17, 2009 – Offered by Senators LEIBHAM, HOPPER, OLSEN, KAPANKE, COWLES,
SCHULTZ, S. FITZGERALD, DARLING, KANAVAS and LAZICH.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 240, line 3: after that line insert:

3 “(a) Jobs creation credit GPR S -0- -0-”.

4 **2.** Page 366, line 25: after that line insert:

5 “SECTION 619d. 20.835 (2) (a) of the statutes is created to read:

6 20.835 (2) (a) *Jobs creation credit*. A sum sufficient to make the payments

7 under ss. 71.07 (3x) (d) 2., 71.28 (3x) (d) 2., and 71.47 (3x) (d) 2.”.

8 **3.** Page 772, line 23: after “(3w),” insert “(3x).”.

9 **4.** Page 783, line 5: after that line insert:

10 “SECTION 1571d. 71.07 (3x) of the statutes is created to read:

1 71.07 **(3x)** JOBS CREATION TAX CREDIT. (a) *Definitions*. In this subsection,
2 “claimant” means a person who is certified to claim tax benefits under s. 560.2057
3 (2).

4 (b) *Filing claims*. Subject to the limitations provided in this subsection and s.
5 560.2057, for taxable years beginning after December 31, 2009, a claimant may claim
6 as a credit against the taxes imposed under ss. 71.02 and 71.08 the amount
7 determined under s. 560.2057 (4) (b).

8 (c) *Limitations*. 1. Partnerships, limited liability companies, and tax-option
9 corporations may not claim the credit under this subsection, but the eligibility for,
10 and the amount of, the credit are based on their payment of the amounts determined
11 under s. 560.2057 (4) (b). A partnership, limited liability company, or tax-option
12 corporation shall compute the amount of credit that each of its partners, members,
13 or shareholders may claim and shall provide that information to each of them.
14 Partners, members of limited liability companies, and shareholders of tax-option
15 corporations may claim the credit in proportion to their ownership interests.

16 2. No credit may be allowed under this subsection unless the claimant includes
17 with the claimant’s return a copy of the claimant’s certification for tax benefits under
18 s. 560.2057 (2).

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

21 2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise
22 due under s. 71.02 or 71.08, the amount of the claim not used to offset the tax due
23 shall be certified by the department of revenue to the department of administration
24 for payment by check, share draft, or other draft drawn from the appropriation
25 account under s. 20.835 (2) (a).”.

1 **5.** Page 796, line 1: after “(3w),” insert “(3x)”.

2 **6.** Page 797, line 1: after “(3r),” insert “jobs creation tax credit under s. 71.07
3 (3x)”.

3 **7.** Page 840, line 15: after “(3w),” insert “(3x)”.

4 **8.** Page 888, line 2: after that line insert:

5 “**SECTION 1654d.** 71.28 (3x) of the statutes is created to read:

6 71.28 **(3x)** JOBS CREATION TAX CREDIT. (a) *Definitions.* In this subsection,
7 “claimant” means a person who is certified to claim tax benefits under s. 560.2057
8 (2).

9 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.
10 560.2057, for taxable years beginning after December 31, 2009, a claimant may claim
11 as a credit against the tax imposed under s. 71.23 the amount determined under s.
12 560.2057 (4) (b).

13 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
14 corporations may not claim the credit under this subsection, but the eligibility for,
15 and the amount of, the credit are based on their payment of the amounts determined
16 under s. 560.2057 (4) (b). A partnership, limited liability company, or tax-option
17 corporation shall compute the amount of credit that each of its partners, members,
18 or shareholders may claim and shall provide that information to each of them.
19 Partners, members of limited liability companies, and shareholders of tax-option
20 corporations may claim the credit in proportion to their ownership interests.

21 2. No credit may be allowed under this subsection unless the claimant includes
22 with the claimant’s return a copy of the claimant’s certification for tax benefits under
23 s. 560.2057 (2).

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

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

8 **9.** Page 900, line 11: after “(3w),” insert “jobs creation tax credit under s. 71.28
(3x).”

9 **10.** Page 919, line 22: after “(3w),” insert “(3x).”

10 **11.** Page 939, line 2: after “(3w),” insert “(3x).”

11 **12.** Page 941, line 21: after that line insert:

12 “**SECTION 1720d.** 71.47 (3x) of the statutes is created to read:

13 71.47 **(3x)** JOBS CREATION TAX CREDIT. (a) *Definitions*. In this subsection,
14 “claimant” means a person who is certified to claim tax benefits under s. 560.2057
15 (2).

16 (b) *Filing claims*. Subject to the limitations provided in this subsection and s.
17 560.2057, for taxable years beginning after December 31, 2009, a claimant may claim
18 as a credit against the tax imposed under s. 71.43 the amount determined under s.
19 560.2057 (4) (b).

20 (c) *Limitations*. 1. Partnerships, limited liability companies, and tax-option
21 corporations may not claim the credit under this subsection, but the eligibility for,
22 and the amount of, the credit are based on their payment of the amounts determined
23 under s. 560.2057 (4) (b). A partnership, limited liability company, or tax-option

1 corporation shall compute the amount of credit that each of its partners, members,
2 or shareholders may claim and shall provide that information to each of them.
3 Partners, members of limited liability companies, and shareholders of tax-option
4 corporations may claim the credit in proportion to their ownership interests.

5 2. No credit may be allowed under this subsection unless the claimant includes
6 with the claimant’s return a copy of the claimant’s certification for tax benefits under
7 s. 560.2057 (2).

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

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

15 **13.** Page 954, line 3: after “(3w),” insert “jobs creation tax credit under s. 71.47
(3x).”.

16 **14.** Page 1034, line 12: after “(3w),” insert “(3x).”.

17 **15.** Page 1578, line 10: after that line insert:

18 “**SECTION 3070d.** 560.2057 of the statutes is created to read:

19 **560.2057 Jobs creation tax credit. (1) DEFINITIONS.** In this section:

20 (a) “Business” means any organization or enterprise operated for profit,
21 including a proprietorship, partnership, firm, business trust, joint venture,
22 syndicate, corporation, limited liability company, or association.

1 (b) “Eligible employee” means a person employed in a full-time job by a person
2 certified in sub. (2).

3 (c) “Full-time job” means a regular, nonseasonal full-time position in which an
4 individual, as a condition of employment, is required to work at least 2,080 hours per
5 year, including paid leave and holidays, and for which the individual receives pay
6 that is equal to at least 150 percent of the federal minimum wage and benefits that
7 are not required by federal or state law. “Full-time job” does not include initial
8 training before an employment position begins.

9 (d) “Tax benefits” means the jobs creation tax credit under ss. 71.07 (3x), 71.28
10 (3x), and 71.47 (3x).

11 **(2) CERTIFICATION.** The department may certify a person to receive tax benefits
12 under this section if all of the following apply:

13 (a) The person is operating or intends to operate a business in this state.

14 (b) The business satisfies the eligibility criteria established by the department
15 by rule under sub. (5) (f).

16 (c) The person applies under this section and enters into a contract with the
17 department.

18 **(3) ELIGIBILITY FOR TAX BENEFITS.** (a) A person certified under sub. (2) may
19 receive tax benefits under this section if, for the duration of each year in which the
20 person claims tax benefits under this section, the person maintains employment of
21 a stable number of eligible employees as specified in the contract under sub. (2) (c).

22 (b) A person certified under sub. (2) may receive tax benefits under this section
23 if, in each year for which the person claims tax benefits under this section, the person
24 increases net employment in the person’s business by at least 15 eligible employees.

1 **(4) DURATION AND DETERMINATION OF BENEFITS.** (a) 1. Except as provided in subd.
2 2., the certification of a person under sub. (2) may remain in effect for no more than
3 5 cumulative years.

4 2. The department may extend the certification of a person under this section
5 for an additional 5 years if the department determines the business has a
6 demonstrated need for the extension.

7 (b) The department may award to a person certified under sub. (2) tax benefits
8 for each eligible employee in an amount equal to 100 percent of the state income taxes
9 paid by that employee on wages earned by that employee and from the person in the
10 year for which the tax benefit is claimed.

11 **(5) DUTIES OF THE DEPARTMENT.** (a) The department of commerce shall notify
12 the department of revenue when the department of commerce certifies a person to
13 receive tax benefits.

14 (b) The department of commerce shall notify the department of revenue within
15 30 days of revoking a certification made under sub. (2).

16 (c) The department may require a person to repay any tax benefits the person
17 claims for a year in which the person failed to maintain employment required by a
18 contract under sub. (2) (c).

19 (d) The department shall determine the maximum amount of the tax credits
20 under ss. 71.07 (3x), 71.28 (3x), and 71.47 (3x) that a certified business may claim and
21 shall notify the department of revenue of this amount.

22 (e) The department shall annually verify the information submitted to the
23 department by the person claiming tax benefits under ss. 71.07 (3x), 71.28 (3x), and
24 71.47 (3x).

1 (f) The department shall promulgate rules for the implementation and
2 operation of this section, including rules relating to the following:

3 1. Criteria to be satisfied by a business for a person operating the business to
4 be eligible for certification under sub. (2).

5 2. Minimum wages to be paid to an eligible employee by a person employing
6 that employee in order for that person to obtain and retain certification under sub.
7 (2).

8 3. Conditions for the revocation of a certification under par. (b).

9 4. Conditions for the repayment of tax benefits under par. (c).”.

10 **16.** Page 1788, line 11: after that line insert:

11 “(7i) JOBS CREATION TAX BENEFIT; EMERGENCY RULES. The department of
12 commerce may use the procedure under section 227.24 of the statutes to promulgate
13 rules under section 560.2057 (5) (f) of the statutes, as created by this act.
14 Notwithstanding section 227.24 (1) (c) and (2) of the statutes, emergency rules
15 promulgated under this subsection remain in effect until July 1, 2010, or the date on
16 which permanent rules take effect, whichever is sooner. Notwithstanding section
17 227.24 (1) (a) and (3) of the statutes, the department is not required to provide
18 evidence that promulgating a rule under this subsection as an emergency rule is
19 necessary for the preservation of the public peace, health, safety, or welfare and is
20 not required to provide a finding of emergency for a rule promulgated under this
21 subsection.

22 (7j) JOBS CREATION TAX BENEFIT; ECONOMIC IMPACT REPORT. Notwithstanding
23 sections 227.137 (2) and 227.138 (2) of the statutes, if the secretary of administration
24 requires the department of commerce to prepare an economic impact report for the

1 rules required under section 560.2057 (5) (f) of the statutes, as created by this act,
2 the department may submit the proposed rules to the legislature for review under
3 section 227.19 (2) of the statutes before the department completes the economic
4 impact report and before the department receives a copy of the report and approval
5 under section 227.138 (2) of the statutes.”.

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(END)