



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0232/P3
MPG:eev:jf

DOA:.....Ley, BB0154 - Eliminate enterprise zone tax credit original equipment manufacturer requirement

FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, WEDC administers an enterprise zone tax credit program. Under that program, WEDC may designate certain areas within Wisconsin as enterprise zones and may certify a business to receive income and franchise tax credits if the business retains jobs in an enterprise zone under certain conditions, or satisfies one or more of a number of other requirements to qualify for enterprise zone tax credits.

With respect to a business's job retention, WEDC may certify a business for tax credits that retains jobs in an enterprise zone if the business makes a significant capital investment in property located in the enterprise zone, and either is an original equipment manufacturer with a significant supply chain in Wisconsin or employs more than 500 full-time employees in the enterprise zone.

This bill eliminates the requirement that a business that retains jobs in an enterprise zone, but that employs 500 or fewer full-time employees in the enterprise zone, must be an original equipment manufacturer in order for the business to qualify for tax credits based on that job retention.

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:

SECTION 1. 238.399 (5) (d) 1. of the statutes is amended to read:

238.399 (5) (d) 1. The business is ~~an original equipment~~ a manufacturer with a significant supply chain in the state, as determined by the corporation ~~by rule~~.

SECTION 2. 238.399 (6) (g) 2. of the statutes is repealed.

SECTION 9350. Initial applicability; Wisconsin Economic Development Corporation.

(1) CHANGES TO ENTERPRISE ZONE CERTIFICATIONS. The treatment of section 238.399 (5) (d) 1. of the statutes first applies to taxable years beginning on January 1, 2013.

(END)