



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-5045/P1
JK&EVM:emw

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT** *to create* 71.07 (5n) (e) and 71.28 (5n) (e) of the statutes; **relating to:**
2 eliminating the manufacturing and agriculture tax credit, increasing
3 transportation aids to counties and municipalities, and making an
4 appropriation.

Analysis by the Legislative Reference Bureau

This bill provides that a taxpayer may not claim the manufacturing and agriculture tax credit for taxable years beginning after December 31, 2017. The bill also increases transportation aids to counties by \$104,500,000 and increases transportation aids to municipalities by the same amount.

For further information see the ***state and local*** 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:

5 **SECTION 1.** 71.07 (5n) (e) of the statutes is created to read:
6 71.07 (**5n**) (e) *Sunset*. No credit may be claimed under this subsection for
7 taxable years beginning after December 31, 2017. Credits under this subsection for

1 taxable years that begin before January 1, 2018, may be carried forward to taxable
2 years that begin after December 31, 2017.

3 **SECTION 2.** 71.28 (5n) (e) of the statutes is created to read:

4 71.28 (5n) (e) *Sunset*. No credit may be claimed under this subsection for
5 taxable years beginning after December 31, 2017. Credits under this subsection for
6 taxable years that begin before January 1, 2018, may be carried forward to taxable
7 years that begin after December 31, 2017.

8 **SECTION 3. Fiscal changes.**

9 (1) TRANSPORTATION AIDS TO COUNTIES. In the schedule under section 20.005 (3)
10 of the statutes for the appropriation under section 20.395 (1) (as) of the statutes, as
11 affected by the acts of 2017, the dollar amount for fiscal year 2018–19 is increased
12 by \$104,500,000.

13 (2) TRANSPORTATION AIDS TO MUNICIPALITIES. In the schedule under section
14 20.005 (3) of the statutes for the appropriation under section 20.395 (1) (at) of the
15 statutes, as affected by the acts of 2017, the dollar amount for fiscal year 2018–19
16 is increased by \$104,500,000.

****NOTE: The total estimated revenue from repealing the manufacturing and
agriculture credit—approximately \$209 million each fiscal year—may not be
immediately realized because it may take a few taxable years before all unused credits
are claimed. Therefore, the amounts available for local transportation aids may need to
be adjusted.

17 **SECTION 4. Effective date.**

18 (1) This act takes effect on the day after publication or on the 2nd day after
19 publication of the 2017–19 biennial budget act, whichever is later.

20 (END)