



JOBS TAX CREDIT – EXPIRES DECEMBER 31, 2016

Fact Sheet 1106

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The Jobs Tax Credit is available for businesses for taxable years that begin on or after January 1, 2010 and before January 1, 2017. The credit may not be computed for taxable years beginning on or after January 1, 2017; however, if the Wisconsin Economic Development Corporation has allocated tax benefits to the claimant in a contract executed before December 31, 2015, or in a letter of intent to enter into a contract before that date, the claimant may compute the credit for as long as the contract specifies.

This fact sheet provides a general overview of the schedule to file in order to claim the credit, the qualifications for claiming the credit, and what documents to include with your tax return. Detailed information is available in the instructions for Schedule JT. Nothing in this fact sheet replaces or changes any provisions of Wisconsin tax law, administrative rules, or court decisions.

CLAIMING THE CREDIT

Use Schedule JT to claim the Jobs Tax Credit and include the schedule with your Wisconsin franchise or income tax return. Also include a copy of the certificate of eligibility to claim tax benefits issued by the Wisconsin Economic Development Corporation when the tax return is filed. For more information regarding how to become certified, visit the Wisconsin Economic Development Corporation website at inwisconsin.com.

WHO IS ELIGIBLE TO COMPUTE THE CREDIT

An individual, estate, trust, partnership, limited liability company (LLC), corporation, or tax-exempt organization that is certified by the Wisconsin Economic Development Corporation may compute the credit.

WHO MAY NOT CLAIM THE CREDIT

Partnerships, LLCs treated as partnerships, and tax-option (S) corporations cannot claim the credit; however, the credit computed by those business entities can pass through to the partners, members, or shareholders.

QUALIFICATIONS

To qualify for the Wisconsin Jobs Tax Credit, you must meet all of the following conditions:

- The Wisconsin Economic Development Corporation must certify that the claimant is operating or intends to operate a business in Wisconsin and that a contract has been entered into with the Wisconsin Economic Development Corporation.
- The claimant has received from the Wisconsin Economic Development Corporation a notice of eligibility to receive tax benefits that reports the amount of tax benefit for which the claimant is eligible.

CREDIT COMPUTATION

The credit is based on the amount of wages paid to eligible employees in the taxable year, subject to a maximum amount of ten percent of such wages, and the costs incurred by the claimant to undertake training activities in the current year.

UNUSED CREDITS

The credit is refundable. If the allowable credit exceeds the tax due, the balance will be paid to you.

CREDIT IS INCOME

The amount of credit computed on Schedule JT is income and must be reported on your Wisconsin franchise or income tax return for the year computed.

Last updated: March 20, 2018