# TABLE OF CONTENTS

1. **INTRODUCTION** ................................................................................................................................. 7
2. **DEFINITIONS** ................................................................................................................................. 8
3. **BUSINESS DEVELOPMENT CREDIT** ................................................................................................. 8
   A. What Is the Purpose Of the Credit? ...................................................................................................... 8
   B. Who May Qualify For the Credit and On What Form Is it Claimed? ............................................... 9
   C. Is the Credit Transferable? .................................................................................................................. 9
   D. When Must the Credit Be Claimed? ...................................................................................................... 9
   E. Is the Credit Refundable or Nonrefundable? ...................................................................................... 9
   F. Is the Credit Includable In Taxable Income? ..................................................................................... 9
4. **COMMUNITY REHABILITATION PROGRAM CREDIT** ........................................................................ 10
   A. What Is the Purpose Of the Credit? ...................................................................................................... 10
   B. Who May Qualify For the Credit and On What Form Is it Claimed? ............................................... 10
   C. Is the Credit Transferable? .................................................................................................................. 10
   D. When Must the Credit Be Claimed? ...................................................................................................... 10
   E. Is the Credit Refundable or Nonrefundable? ...................................................................................... 10
   F. Is the Credit Includable In Taxable Income? ..................................................................................... 11
5. **DEVELOPMENT ZONES CREDITS** .................................................................................................... 11
   A. What Is the Purpose Of the Credits? .................................................................................................. 11
   B. Who May Qualify For the Credits and On What Form Are They Claimed? .................................. 11
   C. Are the Credits Transferrable? .......................................................................................................... 12
   D. When Must the Credits Be Claimed? .................................................................................................. 12
   E. Are the Credits Refundable or Nonrefundable? ............................................................................... 12
   F. Is the Credit Includable In Taxable Income? ..................................................................................... 12
6. **EARLY STAGE SEED INVESTMENT CREDIT** .................................................................................... 12
   A. What Is the Purpose Of the Credit? .................................................................................................. 12
   B. Who May Qualify For the Credit and On What Form Is it Claimed? .............................................. 13
   C. Is the Credit Transferable? .............................................................................................................. 13
   D. When Must the Credit Be Claimed? .................................................................................................. 14
   E. Is the Credit Refundable or Nonrefundable? ................................................................................... 14
   F. Is the Credit Includable In Taxable Income? .................................................................................... 14
TABLE OF CONTENTS (Continued)

7. ECONOMIC DEVELOPMENT TAX CREDIT .................................................................................................. 14
   A. What Is the Purpose Of the Credit? ..................................................................................................... 14
   B. Who May Qualify For the Credit and On What Form Is it Claimed? ...................................................... 14
   C. Is the Credit Transferrable? .............................................................................................................. 15
   D. When Must the Credit Be Claimed? .................................................................................................... 16
   E. Is the Credit Refundable or Nonrefundable? ...................................................................................... 16
   F. Is the Credit Includable In Taxable Income? ...................................................................................... 17
   G. Where Can I Obtain More Information? ........................................................................................... 17

8. ELECTRONICS AND INFORMATION TECHNOLOGY MANUFACTURING ZONE CREDIT .......... 16
   A. What Is the Purpose Of the Credit? ..................................................................................................... 16
   B. Who May Qualify For the Credit and On What Form Is it Claimed? ...................................................... 16
   C. Is the Credit Transferrable? .............................................................................................................. 17
   D. When Must the Credits Be Claimed? .................................................................................................. 17
   E. Are the Credits Refundable or Nonrefundable? .................................................................................. 17
   F. Is the Credit Includable In Taxable Income? ...................................................................................... 17
   G. Where Can I Obtain More Information? ........................................................................................... 17

9. EMPLOYEE COLLEGE SAVINGS ACCOUNT CONTRIBUTION CREDIT .............................................. 17
   A. What Is the Purpose Of the Credit? ..................................................................................................... 17
   B. Who May Qualify For the Credit and On What Form Is it Claimed? ...................................................... 18
   C. Is the Credit Transferrable? .............................................................................................................. 18
   D. When Must the Credits Be Claimed? .................................................................................................. 18
   E. Are the Credits Refundable or Nonrefundable? .................................................................................. 18
   F. Is the Credit Includable In Taxable Income? ...................................................................................... 18
   G. Where Can I Obtain More Information? ........................................................................................... 18

10. ENTERPRISE ZONE JOBS CREDITS ...................................................................................................... 18
    A. What Is the Purpose Of the Credits? .................................................................................................. 18
    B. Who May Qualify For the Credit and On What Form Is it Claimed? .................................................... 19
    C. Is the Credit Transferrable? .............................................................................................................. 19
    D. When Must the Credits Be Claimed? .................................................................................................. 19
    E. Are the Credits Refundable or Nonrefundable? .................................................................................. 19
    F. Is the Credit Includable In Taxable Income? ...................................................................................... 20

11. FARMLAND PRESERVATION CREDIT .................................................................................................. 20
    A. Farmland Preservation Credit—Pre 2010 ........................................................................................... 20
        (1) What changed with the existing credit? ........................................................................................... 20
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) What is the purpose of the credit?</td>
<td>20</td>
</tr>
<tr>
<td>(3) Who may qualify for the credit and on what form is it claimed?</td>
<td>20</td>
</tr>
<tr>
<td>(4) Is the credit transferable?</td>
<td>20</td>
</tr>
<tr>
<td>(5) When must the credit be claimed?</td>
<td>21</td>
</tr>
<tr>
<td>(6) Is the credit refundable or nonrefundable?</td>
<td>21</td>
</tr>
<tr>
<td>(7) Is the credit includable in taxable income?</td>
<td>21</td>
</tr>
<tr>
<td>(8) Where can I obtain more information?</td>
<td>21</td>
</tr>
<tr>
<td>B. Farmland Preservation Credit—2010 and Beyond</td>
<td>21</td>
</tr>
<tr>
<td>(1) When does the new credit begin?</td>
<td>21</td>
</tr>
<tr>
<td>(2) What is the purpose of the credit?</td>
<td>21</td>
</tr>
<tr>
<td>(4) Who may qualify for the credit and on what form is it claimed?</td>
<td>22</td>
</tr>
<tr>
<td>(5) Is the credit transferable?</td>
<td>22</td>
</tr>
<tr>
<td>(6) When must the credit be claimed?</td>
<td>22</td>
</tr>
<tr>
<td>(7) Is the credit refundable or nonrefundable?</td>
<td>22</td>
</tr>
<tr>
<td>(8) Is the credit includable in taxable income?</td>
<td>22</td>
</tr>
<tr>
<td>(9) Where can I obtain more information?</td>
<td>22</td>
</tr>
<tr>
<td><strong>12. JOBS TAX CREDIT</strong></td>
<td>22</td>
</tr>
<tr>
<td>A. What Is the Purpose Of the Credit?</td>
<td>22</td>
</tr>
<tr>
<td>B. Who May Qualify For the Credit and On What Form Is it Claimed?</td>
<td>23</td>
</tr>
<tr>
<td>C. Is the Credit Transferable?</td>
<td>23</td>
</tr>
<tr>
<td>D. When Must the Credit Be Claimed?</td>
<td>23</td>
</tr>
<tr>
<td>E. Is the Credit Refundable or Nonrefundable?</td>
<td>23</td>
</tr>
<tr>
<td>F. Is the Credit Includable in Taxable Income?</td>
<td>24</td>
</tr>
<tr>
<td><strong>13. LOW-INCOME HOUSING TAX CREDIT</strong></td>
<td>24</td>
</tr>
<tr>
<td>A. What Is the Purpose Of the Credit?</td>
<td>24</td>
</tr>
<tr>
<td>B. Who May Qualify For the Credit and On What Form Is it Claimed?</td>
<td>24</td>
</tr>
<tr>
<td>C. Is the Credit Transferable?</td>
<td>24</td>
</tr>
<tr>
<td>D. When Must the Credit Be Claimed?</td>
<td>24</td>
</tr>
<tr>
<td>E. Is the Credit Refundable or Nonrefundable?</td>
<td>24</td>
</tr>
<tr>
<td>F. Is the Credit Includable in Taxable Income?</td>
<td>25</td>
</tr>
<tr>
<td><strong>14. MANUFACTURER'S SALES TAX CREDIT – CARRYFORWARD OF UNUSED CREDIT</strong></td>
<td>25</td>
</tr>
<tr>
<td><strong>15. MANUFACTURING AND AGRICULTURE CREDIT</strong></td>
<td>25</td>
</tr>
<tr>
<td>A. What is Purpose Of the Credit?</td>
<td>25</td>
</tr>
</tbody>
</table>
### TABLE OF CONTENTS (Continued)

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Who May Qualify For the Credit and On What Form Is it Claimed?</td>
<td>26</td>
</tr>
<tr>
<td>C. Is the Credit Transferable?</td>
<td>27</td>
</tr>
<tr>
<td>D. When Must the Credit Be Claimed?</td>
<td>27</td>
</tr>
<tr>
<td>E. Is the Credit Refundable or Nonrefundable?</td>
<td>27</td>
</tr>
<tr>
<td>F. Is the Credit Includable In Taxable Income?</td>
<td>27</td>
</tr>
</tbody>
</table>

| 16. MANUFACTURING INVESTMENT CREDIT                                   | 27   |
| A. What is the Purpose of the Credit?                                | 27   |
| B. Who May Qualify For the Credit and On What Form Is it Claimed?    | 27   |
| C. Is the Credit Transferable?                                       | 28   |
| D. When Must the Credit Be Claimed?                                  | 28   |
| E. Is the Credit Refundable or Nonrefundable?                        | 28   |
| F. Is the Credit Includable In Taxable Income?                        | 28   |

| 17. RESEARCH CREDITS                                                  | 28   |
| A. Research Credit for Increasing Research                           | 29   |
| What is the purpose of the credit?                                   | 29   |
| B. Research Credit for Activities Related to Internal Combustion Engines | 29   |
| What is the purpose of the credit?                                   | 30   |
| C. Research Credit For Activities Related to Certain Energy Efficient Products | 30   |
| What is the purpose of the credit?                                   | 30   |
| D. Who May Qualify For the Credits and On What Form Are They Claimed? | 30   |
| E. Are the Credits Transferable?                                     | 31   |
| F. When Must the Credits Be Claimed?                                 | 31   |
| G. Are the Credits Refundable or Nonrefundable?                      | 31   |
| H. Are the Credits Includable In Taxable Income?                     | 31   |

<p>| 18. SUPPLEMENT TO FEDERAL HISTORIC REHABILITATION TAX CREDIT          | 31   |
| A. What Is the Purpose Of the Credit?                                | 31   |
| B. Who May Qualify For the Credit and On What Form Is it Claimed?    | 32   |
| C. Is the Credit Transferable?                                       | 33   |
| D. When Must the Credit Be Claimed?                                  | 34   |
| E. Is the Credit Refundable or Nonrefundable?                        | 34   |
| F. Is the Credit Includable In Taxable Income?                       | 34   |
| G. Where Can I Obtain More Information?                              | 34   |</p>
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>19. ADDITIONAL INFORMATION AND FORMS</td>
<td>34</td>
</tr>
<tr>
<td>20. AVAILABILITY OF BUSINESS TAX INCENTIVES</td>
<td>35</td>
</tr>
</tbody>
</table>
1. INTRODUCTION

This publication provides information about the Wisconsin tax incentives that may be available to corporations, tax-option (S) corporations, partnerships, limited liability companies (LLCs), and sole proprietorships doing business in Wisconsin.

These tax incentives consist of the following:

- Business development credit
- Community rehabilitation program credit
- Development zones credits
- Early stage seed investment credit
- Economic development tax credit
- Electronics and information technology manufacturing zone credit
- Employee college savings account contribution credit
- Enterprise zone jobs credit
- Farmland credits
- Jobs tax credit
- Low-income housing credit
- Manufacturing and agriculture credit
- Manufacturer’s sales tax credit - carryforward
- Manufacturing investment credit
- Research credits
- Supplement to federal historic rehabilitation tax credit

IMPORTANT INFORMATION

Several tax credits have expired or will expire in the future.

The following credits have expired for taxable years beginning on or after January 1, 2015, and while no new credits may be computed, unused nonrefundable credits computed prior to the expiration date may be carried forward subject to the carryforward limitations of each credit:

- Relocated business credit
- Health insurance risk-sharing plan assessments credit

The following credits have expired for taxable years beginning on or after January 1, 2016. No new credits may be computed unless the claimant entered into an executed contract or was issued a letter of intent to enter into a contract with the Wisconsin Economic Development Corporation prior to December 31, 2015.

- Economic development credit
- Jobs tax credit
2. **DEFINITIONS**

In this publication, the following definitions apply, unless stated otherwise.

**Corporation** - Includes corporations, insurance companies, regulated investment companies (RICs), real estate mortgage investment conduits (REMICs), real estate investment trusts (REITs), financial asset securitization investment trusts (FASITs), publicly traded partnerships treated as corporations in section 7704 of the Internal Revenue Code (IRC), limited liability companies (LLCs) treated as corporations under the Internal Revenue Code, joint stock companies, associations, common law trusts, and all other entities treated as corporations under IRC section 7701.

**Exempt Corporation** - A corporation exempt from Wisconsin franchise or income taxation under sec. 71.26(1)(a) or 71.45(1), Wis. Stats., that is subject to the tax on unrelated trade or business income under IRC section 511 for federal income tax purposes.

**Partnership** - Includes general partnerships, limited partnerships, registered limited liability partnerships (LLPs), limited liability companies (LLCs) treated as partnerships under the Internal Revenue Code, syndicates, groups, pools, joint ventures, and other unincorporated organizations.

**Sole Proprietorship** - Includes unincorporated businesses operated by individuals, estates, trusts, and exempt trusts subject to tax on unrelated business taxable income.

**Tax-Option (S) Corporation** - A corporation which is treated as an S corporation under subchapter S of the Internal Revenue Code and has not elected out of tax-option corporation status for Wisconsin purposes.

*Note:* A single-owner entity that is disregarded as a separate entity under IRC section 7701, or a corporation treated as a qualified subchapter S subsidiary (QSub) for federal purposes, is disregarded as a separate entity for Wisconsin franchise or income tax purposes. The owner claims any tax credits based on the LLC’s or QSub’s activities for which the owner would otherwise be eligible.

3. **BUSINESS DEVELOPMENT CREDIT**

**A. What Is the Purpose Of the Credit?**

The business development credit provides incentives for job creation, capital investment, training, and corporate headquarters location or retention, for new and current businesses located in Wisconsin. The credit is available to claimants certified by the Wisconsin Economic Development Corporation (WEDC) for taxable years that begin on or after January 1, 2016.

The business development tax credit is a refundable credit equal to all of the following, as determined by the Wisconsin Economic Development Corporation (WEDC):

1. The amount of wages the claimant paid to an eligible employee in the taxable year, not to exceed 10 percent of such wages.

2. In addition to any amount claimed for an eligible employee under 1., the amount of wages that the claimant paid to the eligible employee in the taxable year, not to exceed 5 percent of such wages, if the eligible employee is employed in an economically distressed area.

3. An amount equal to up to 50 percent of the claimant’s training costs incurred to undertake activities to enhance an eligible employee’s general knowledge, employability, and flexibility in the workplace; to develop skills unique to the claimant’s workplace or equipment; or to develop skills that will increase the quality of the claimant’s product.
(4) The amount of the personal property investment, not to exceed 3 percent of such investment, and the amount of the real property investment, not to exceed 5 percent of such investment, in a capital investment project that involves a total capital investment of a least $1,000,000 or, if less than $1,000,000, involves a capital investment equal to at least $10,000 per eligible employee employed on the project.

(5) An amount equal to a percentage of the amount of wages that the claimant paid to an eligible employee in the taxable year if the position in which the eligible employee was employed was created or retained in connection with the claimant’s location or retention of the claimant’s corporate headquarters in Wisconsin and the job duties associated with the eligible employee’s position involve the performance of corporate headquarters functions.

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule BD</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule BD</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations¹</td>
<td>Schedule BD</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule BD</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships²</td>
<td>Schedule BD</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

¹ The credit is allowed only to the extent the claimant’s business relates to an unrelated trade or business activity.
² Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferable?

No.

D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s franchise or income tax return.

E. Is the Credit Refundable or Nonrefundable?

The credit is refundable. If the credit is not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance will be refunded. The credit may be offset against the economic development surcharge.

F. Is the Credit Includable In Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed. This is true even if you cannot use the full amount of a credit computed this year to offset tax liability for this year and must carry over part or all of it to future years.

G. Where Can I Obtain More Information?

- See the instructions for Schedule BD
• Review the eligibility requirements and definitions on WEDC's website at: inwisconsin.com/inside-wedc/transparency/programs/btc/

• See Fact sheet 1120 Wisconsin Business Development Credit

4. COMMUNITY REHABILITATION PROGRAM CREDIT

A. What Is the Purpose Of the Credit?

The community rehabilitation program credit is available for taxable years beginning on or after August 1, 2011. The law specifies that the credit is first effective for taxable years beginning after July 1, 2011 (i.e. taxable years beginning July 2, 2011 or after); however, federal law provides that fiscal years must start on the 1st of the month so the effective date of the credit is August 1, 2011.

The credit is equal to 5% of the amount that the claimant paid in the taxable year to a community rehabilitation program to perform work for the claimant's business. The maximum amount of credit that may be claimed in a taxable year is $25,000 for each community rehabilitation program for which the claimant enters into a contract to have the community rehabilitation program perform work for the claimant's business.

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule CM</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S)</td>
<td>Corporations</td>
<td></td>
</tr>
<tr>
<td>corporations</td>
<td>Schedule CM</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations</td>
<td>1 Schedule CM</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule CM</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships</td>
<td>2 Schedule CM</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

1 The credit is allowed only if the exempt organization contracts with a community rehabilitation program to perform work for the claimant's business and that work relates to unrelated trade or business activity.
2 Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferable?

No.

D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer's franchise or income tax return.

E. Is the Credit Refundable or Nonrefundable?

The credit is nonrefundable. If the credit is not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credit may not be used to offset against the economic development surcharge.
F. Is the Credit Includable In Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed. This is true even if you cannot use the full amount of a credit computed this year to offset tax liability for this year and must carry over part or all of it to future years.

G. Where Can I Obtain More Information?

See the instructions for Schedule CM.

See Fact sheet 1119 Community Rehabilitation Program Credit.

5. DEVELOPMENT ZONES CREDITS

A. What Is the Purpose Of the Credits?

The development zones tax credits provide tax incentives for businesses to locate in Wisconsin development zones. The Wisconsin Economic Development Corporation (WEDC) administers the development zone programs.

The Community Development Zone Program is designed to encourage private investment and improve the quality and quantity of employment opportunities in Wisconsin’s designated community development zones. Tax credits are based on creating or retaining jobs and on cleaning up environmental pollution in community development zones.

The Enterprise Development Zone Program provides an incentive for a new or expanding business whose project will affect a specific distressed area. A zone is "site specific"; it applies to only one business. Businesses earn tax credits by creating new full-time jobs or by cleaning up environmental pollution in an enterprise development zone.

The Legislature has designated certain areas of the state as development opportunity zones. Tax credits are based on investment in a business; construction, rehabilitation, repair, or remodeling of a building; job creation or retention; and environmental remediation in the development opportunity zone.

The Agricultural Development Zone Program encourages the expansion of agricultural businesses in Wisconsin’s agricultural development zone. Tax credits may be available based on capital investments in real and tangible personal property, job creation or retention, and environmental remediation.

The Airport Development Zone Program encourages the expansion of businesses in Wisconsin’s designated airport development zones. For taxable years beginning on or after January 1, 2007, tax credits may be available based on capital investments in real and tangible personal property, job creation or retention, and environmental remediation.

WEDC determines the amount of credit available to businesses located in community development, enterprise development, development opportunity, agricultural development, and airport development zones.

To participate in the development zone programs, businesses must first be certified by WEDC. For more information regarding eligibility in the Wisconsin development zone programs, visit the WEDC website at inwisconsin.com, write to the Wisconsin Economic Development Corporation, PO Box 1687, Madison, WI 53701-1687, or call 1-855-469-4249.

B. Who May Qualify For the Credits and On What Form Are They Claimed?
### Table of Entities and Credits

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule DC</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule DC</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations¹</td>
<td>Schedule DC</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule DC</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6.</td>
</tr>
<tr>
<td>Sole proprietorships²</td>
<td>Schedule DC</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

¹ The credits are allowed only if the exempt organization conducts an unrelated trade or business in a Wisconsin development zone.
² Estates and trusts share the credits among themselves and their beneficiaries in proportion to the income allocable to each.

### C. Are the Credits Transferrable?

No.

### D. When Must the Credits Be Claimed?

Claim the credits within four years of the unextended due date of the taxpayer’s franchise or income tax return.

### E. Are the Credits Refundable or Nonrefundable?

The credits are nonrefundable. If a credit is not entirely offset against Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credits may not be offset against the economic development surcharge.

### F. Is the Credit Includable In Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed. This is true even if you cannot use the full amount of a credit computed this year to offset tax liability for this year and must carry over part or all of it to future years.

### G. Where Can I Obtain More Information?

See the instructions for Schedule DC.

### 6. EARLY STAGE SEED INVESTMENT CREDIT

#### A. What Is the Purpose Of the Credit?

The early stage seed investment credit is part of the qualified new business venture program administered by the Wisconsin Economic Development Corporation (WEDC). The credit is based on a claimant’s investment paid to a certified fund manager that the fund manager invests in a qualified new business venture. The credit equals 25% of the qualified investment amount as certified by WEDC. If an investment for which a claimant claims the early stage seed investment credit is held by the claimant for less than three years, the claimant must pay the Department of Revenue the amount of the credit that the claimant received related to the investment.
An investment fund manager must apply to WEDC for certification. Only fund managers who meet certain requirements and commit to consider investing in qualified new business ventures may receive certification. For more information, visit the WEDC website at inwisconsin.com, write to the Wisconsin Economic Development Corporation, PO Box 1687, Madison, WI 53701-1687, or call 1-855-469-4249.

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule VC</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule VC</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations(^1)</td>
<td>Schedule VC</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule VC</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships(^2)</td>
<td>Schedule VC</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

\(^1\)The credit is allowed only if the exempt organization’s qualified investment is part of an unrelated trade or business activity.

\(^2\)Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferable?

Yes. For taxable years beginning on or after January 1, 2009, a person who is eligible to claim the early stage seed investment credit may sell or otherwise transfer the credit to another person who is subject to tax if the person receives prior authorization from the investment fund manager and the manager then notifies WEDC and the Department of Revenue of the transfer and submits with the notification a copy of the transfer documents. No person may sell or otherwise transfer a credit more than once in a 12-month period. WEDC may charge any person selling or otherwise transferring a credit a fee equal up to five percent of the credit amount sold or transferred.

The entity selling the tax credits will be required to recognize a capital gain on the sale of the credits equal to the difference between the basis of the tax credits, which would be zero unless the seller previously purchased the tax credits for consideration, and the amount of consideration received for the credits. The character of the capital gain as either short-term or long-term is determined based on the amount of time between the date the seller made the qualifying investment and the date the credits are sold. If the time period is more than one year, it is a long-term capital gain; if the time period is one year or less, it is a short-term capital gain.

The entity purchasing the tax credits will recognize capital gain income when the credits are used to offset a Wisconsin income tax liability. The capital gain recognized is equal to the difference between the purchaser's basis in the tax credits, which is the value of consideration paid for the tax credits and any transaction costs incurred to acquire the tax credits, and the amount of Wisconsin income tax liability satisfied by use of the tax credits. The character of the capital gain as either short-term or long-term is determined based on the amount of time between the date the purchaser acquired the tax credits and the date the credits are used to offset the purchasers Wisconsin income tax liability. If the time period is more than one year, it is a long-term capital gain; if the time period is one year or less, it is a short-term capital gain.
The purchaser will not be allowed to apply credits to years prior to which the credits were purchased. For example, if tax year 2019 credits are purchased in 2022, the credits can only be used for taxable years beginning in 2022 and beyond.

The carryforward period for credits purchased will continue to be the remaining carryforward period of the original holder of the credits. For example, if a claimant purchases early stage seed investment credits with a remaining carryforward of 8 years at the time of purchase, the purchaser will also have an 8 year credit carryforward.

D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s franchise or income tax return.

E. Is the Credit Refundable or Nonrefundable?

The credit is nonrefundable. If the credit is not entirely offset against Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credit may not be offset against the economic development surcharge.

F. Is the Credit Includable In Taxable Income?

The credit you compute is not considered income and is not required to be reported on your Wisconsin franchise or income tax return in the year computed. Instead, the credit computed reduces the basis in your investment.

G. Where Can I Obtain More Information?

See the instructions for Schedule VC.

7. ECONOMIC DEVELOPMENT TAX CREDIT

A. What Is the Purpose Of the Credit?

For taxable years prior to January 1, 2016, the economic development tax credit may be claimed by persons certified by the Wisconsin Economic Development Corporation (WEDC) and authorized by that department to claim the tax credits. A person may be certified by WEDC if it determines that the person is conducting or intends to conduct at least one eligible activity.

The economic development tax credit may not be computed for taxable years beginning on or after January 1, 2016; 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 taxable years beginning after December 31, 2015 for as long as the contract specifies.

WEDC may authorize a person who is certified to claim tax benefits only after the person has submitted a report to WEDC that documents to the satisfaction of WEDC that the person has complied with the terms of the contract and the requirements of any applicable rules.

The economic development tax credit is equal to the amount authorized by WEDC. A copy of the certification and notice to receive tax benefits from WEDC must be included with the claimant’s Wisconsin tax return.

B. Who May Qualify For the Credit and On What Form Is it Claimed?
<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule ED</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule ED</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations(^2)</td>
<td>Schedule ED</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule ED</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships(^2)</td>
<td>Schedule ED</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

\(^1\) The credit is allowed only to the extent the claimant’s business relates to an unrelated trade or business activity.
\(^2\) Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferrable?

Yes. For taxable years beginning on or after January 1, 2014, a person who is eligible to claim the Economic Development Tax Credit may transfer the credit to another person if the person receives prior authorization from WEDC.

**Approval of Credit Transfer**

An applicant for certification for the economic development tax credit may submit with its application to WEDC an application to transfer the credit to another person. WEDC may approve the transfer of a credit if it certifies the applicant for the credit and finds that the applicant meets at least one of the following conditions:

1. Is headquartered and employs at least 51 percent of its employees in Wisconsin.

2. Intends to relocate its headquarters to Wisconsin and employ at least 51 percent of its employees in Wisconsin.

3. Intends to expand its operations in Wisconsin, and that expansion will result in an increase in the number of full-time employees employed by the applicant in Wisconsin in an amount equal to at least 10 percent of the applicant’s full-time workforce in Wisconsin at the time of application.

4. Intends to expand its operations in Wisconsin, and that expansion will result in the applicant making a significant capital investment in property located in Wisconsin, as determined by WEDC.

After WEDC authorizes the person to claim a credit and provides a notice of eligibility, the person may transfer the credit in accordance with the terms of its application. A credit may be transferred only in exchange for some consideration, other than money, in connection with the eligible activity for which the credit is initially awarded.

**Carryforward of Transferred Credits**

The person to whom a credit is transferred may carry forward, beginning on the date of the notice of eligibility to the transferor, any unused credit for 15 years (the carry forward period starts over upon transfer).
Tax Issues

The entity transferring the tax credit will be required to recognize a capital gain on the sale of the credit equal to the difference between the basis of the tax credit, which would be zero unless the seller previously purchased the tax credit for consideration, and the fair market value of consideration received for the credit. The character of the capital gain as either short-term or long-term is determined based on the amount of time between the date the seller made the qualifying investment and the date the credit is transferred. If the time period is more than one year, it is a long-term capital gain; if the time period is one year or less, it is a short-term capital gain.

The entity purchasing the tax credit will recognize capital gain income when the credit is used to offset a Wisconsin income tax liability. The capital gain recognized is equal to the difference between the purchaser’s basis in the tax credit, which is the fair market value of consideration paid for the tax credit and any transaction costs incurred to acquire the tax credit, and the amount of Wisconsin income tax liability satisfied by use of the tax credit. The character of the capital gain as either short-term or long-term is determined based on the amount of time between the date the purchaser acquired the tax credit and the date the credit is used to offset the purchaser’s Wisconsin income tax liability. If the time period is more than one year, it is a long-term capital gain; if the time period is one year or less, it is a short-term capital gain.

D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer's franchise or income tax return.

E. Is the Credit Refundable or Nonrefundable?

The credit is nonrefundable. If the credit is not entirely offset against Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credit may not be used to offset the economic development surcharge.

F. Is the Credit Includable In Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed. This is true even if you cannot use the full amount of a credit computed this year to offset tax liability for this year and must carry over part or all of it to future years.

G. Where Can I Obtain More Information?

See the instructions for Schedule ED.

8. ELECTRONICS AND INFORMATION TECHNOLOGY MANUFACTURING ZONE CREDIT

A. What Is the Purpose Of the Credit?

The electronics and information technology manufacturing zone credit provides an incentive for employing full-time employees and making capital expenditures in a qualified zone.

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>EIT</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>EIT</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>
C. Is the Credit Transferable?

No.

D. When Must the Credits Be Claimed?

Claim the credits within four years of the unextended due date of the taxpayer’s franchise or income tax return.

E. Are the Credits Refundable or Nonrefundable?

The credits are refundable. If the credits are not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance will be refunded. The credits may be offset against the economic development surcharge.

F. Is the Credit Includable In Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed.

G. Where Can I Obtain More Information?

See pages 17 and 18 of Wisconsin Tax Bulletin 199.

9. EMPLOYEE COLLEGE SAVINGS ACCOUNT CONTRIBUTION CREDIT

A. What Is the Purpose Of the Credit?

The employee college savings account contribution credit provides a tax benefit to an employer for the contributions made to an employee's college savings account in the taxable year the contributions are made.

The credit may be claimed by a partner of a partnership, a member of a limited liability company (LLC), a corporation, or a shareholder of a tax-option (S) corporation that is an employer and contributes to an employee's college savings account. Federal Schedule C employers and estate and trusts are not eligible to compute or use the credit.

The maximum amount of the credit per employee that a claimant may claim is the claimant's proportionate share of an amount equal to 25 percent of the amount the employee's employer contributed to the employee's college savings account. This amount may not exceed 25 percent of the maximum amount that an individual contributor may deduct as a contribution into a college savings account under sec. 71.05 (6)(b)32.a., Wis. Stats.
The **maximum contribution** to the employee’s college savings account is equal to 25 percent of the maximum amount that an individual contributor may deduct per beneficiary under sec. 71.05(6)(b)32.a., Wis. Stats. ($3,560 X 25% = $890; $1,780 X 25% = $445 if married filing separately or a divorced parent).

The **maximum credit** per employee is equal to 25 percent of the amount the employer contributed to the employee’s college savings account, subject to the maximum contribution limitation above ($890 X 25% = $223; $445 X 25% = $111 if married filing separately or a divorced parent).

**B. Who May Qualify For the Credit and On What Form Is it Claimed?**

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>ES</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>ES</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1 or 1NPR</td>
</tr>
<tr>
<td>Exempt corporations</td>
<td>ES</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>ES</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1 or 1NPR</td>
</tr>
<tr>
<td>Sole proprietorships</td>
<td>N/A</td>
<td>Credit cannot be claimed</td>
</tr>
</tbody>
</table>

**C. Is the Credit Transferable?**

No.

**D. When Must the Credits Be Claimed?**

Claim the credits within four years of the unextended due date of the taxpayer’s franchise or income tax return.

**E. Are the Credits Refundable or Nonrefundable?**

The credit is nonrefundable. If the credit is not entirely offset against Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credit may not be used to offset the economic development surcharge.

**F. Is the Credit Includable In Taxable Income?**

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed. This is true even if you cannot use the full amount of a credit computed this year to offset tax liability for this year and must carry over part or all of it to future years.

**G. Where Can I Obtain More Information?**

See the [instructions for Schedule ES](#).

See pages 10 and 11 of [Wisconsin Tax Bulletin 201](#).

**10. ENTERPRISE ZONE JOBS CREDITS**

**A. What Is the Purpose Of the Credits?**
The enterprise zone jobs credit provides an incentive for increasing employment or improving job skills of employees in an enterprise zone. The enterprise zone jobs credit consists of a regular credit and a supplemental credit.

The regular credit is based on the increase in the number of full-time Wisconsin employees during the base year and the current year. The "base year" is the taxable year beginning during the calendar year prior to the year in which the enterprise zone where the claimant is located takes effect. The supplemental credit is equal to the amount paid in the taxable year, relating to employees who work in an enterprise zone, to upgrade or improve job-related skills, to train employees on the use of job-related new technologies, or to provide job-related training to employees if it is the employee’s first full-time job.

Additional supplemental credits are available for an amount up to seven percent of the payroll paid to full-time employees employed in an enterprise zone, up to ten percent of significant capital expenditures made, and up to one percent of the amount paid to purchase tangible personal property, items, property, or goods from Wisconsin vendors.

The Wisconsin Economic Development Corporation (WEDC) must certify the business as eligible for the credit and verify expenses. For more information, visit the WEDC website at inwisconsin.com or write to the Wisconsin Economic Development Corporation, PO Box 1687, Madison, WI 53701-1687, or call 1-855-469-4249.

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule EC</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule EC</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Schedule EC</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule EC</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Sole proprietorships&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Schedule EC</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

<sup>1</sup>This credit is allowed only if the exempt corporation conducts an unrelated trade or business in a Wisconsin enterprise zone.

<sup>2</sup>Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferable?

No.

D. When Must the Credits Be Claimed?

Claim the credits within four years of the unextended due date of the taxpayer’s franchise or income tax return.

E. Are the Credits Refundable or Nonrefundable?

The credits are refundable. If the credits are not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance will be refunded. The credits may be offset against the economic development surcharge.
F. Is the Credit Includable In Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed.

G. Where Can I Obtain More Information?

See the instructions for Schedule EC.

11. FARMLAND PRESERVATION CREDIT

A. Farmland Preservation Credit—Pre 2010

(1) What changed with the existing credit?

For taxable years beginning after December 31, 2009, no new claims may be filed for the farmland preservation credit as it exists under the prior law, but if an otherwise eligible claimant is subject to a farmland preservation agreement that is in effect on July 1, 2010, for the period prior to January 1, 2010, the claimant may continue to file a claim for the existing credit until the farmland preservation agreement expires. A claimant that files a claim for the existing farmland preservation credit may not file a claim for the new farmland preservation credit (explained in the next section) based on the same farmland acreage used to compute the existing credit.

(2) What is the purpose of the credit?

The farmland preservation credit provides an incentive for owners of Wisconsin farmland to preserve their farmland. An owner of at least 35 acres of farmland may qualify for the credit either by signing a farmland preservation agreement not to develop the land for a specific time or by having the land zoned for exclusive agricultural use. The farmland must have generated at least $6,000 of gross farm profits for the current taxable year or at least $18,000 of gross farm profits during the current taxable year and the last two years combined.

The farmland preservation credit is based on the first $6,000 of net property taxes levied on farmland and improvements. The maximum amount of credit available is $4,200. The minimum credit is 10% of the net property taxes, up to $600.

(3) Who may qualify for the credit and on what form is it claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations organized under Wisconsin law</td>
<td>Schedule FC</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Exempt organizations organized under Wisconsin law</td>
<td>Schedule FC</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Wisconsin resident individuals, trusts created by Wisconsin residents, grants of revocable trusts who are Wisconsin residents, estates of individuals who are Wisconsin residents on the date of death, and guardians on behalf of wards</td>
<td>Schedule FC</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Wisconsin resident partners, LLC members, and tax-option (S) corporation shareholders</td>
<td>Schedule FC</td>
<td>Form 1, 1NPR, 2, 4, 4T, or 6</td>
</tr>
</tbody>
</table>

(4) Is the credit transferable?
No.

(5) When must the credit be claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s Wisconsin franchise or income tax return.

(6) Is the credit refundable or nonrefundable?

The credit is refundable. If the credit is not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance will be refunded. The credit may be offset against the economic development surcharge.

(7) Is the credit includable in taxable income?

The total amount of farmland preservation credit from Schedule FC that you received during 2022 must be reported as income. Fill in as an addition any portion of your farmland preservation credit which was not included as income on your federal tax return.

(8) Where can I obtain more information?

See the instructions for Schedule FC and Publication 503, Wisconsin Farmland Preservation Credit.

B. Farmland Preservation Credit—2010 and Beyond

(1) When does the new credit begin?

The new farmland preservation credit is effective for taxable years beginning on or after January 1, 2010.

(2) What is the purpose of the credit?

The farmland preservation credit provides an incentive for owners of Wisconsin farmland to preserve their farmland. The claimant must have an ownership interest in a farm that is covered by a farmland preservation agreement entered into on or after July 1, 2009, or located in a farmland preservation zoning district. The claimant must have paid or be legally responsible for paying the current years property taxes levied against the qualifying acres to which the claim relates. There is no minimum acreage requirement and no limit on the amount of credit that may be claimed; however, the claimant must be in compliance with soil and water conservation plans and standards as of the end of the taxable year to which the claim relates.

The farmland preservation credit is based on the number of qualifying acres of farmland multiplied by either $5, $7.50, or $10 per acre based on whether the acreage is covered by a farmland preservation agreement and/or is located in a farmland preservation zoning district.

(3) How much is the credit?

<table>
<thead>
<tr>
<th>Acreage</th>
<th>Amount of Credit per Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Located in farmland preservation zoning district and subject to farmland preservation agreement</td>
<td>$10</td>
</tr>
<tr>
<td>Located in farmland preservation zoning district only</td>
<td>$7.50</td>
</tr>
<tr>
<td>Subject to farmland preservation agreement only</td>
<td>$5</td>
</tr>
</tbody>
</table>
(4) Who may qualify for the credit and on what form is it claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations organized under Wisconsin law</td>
<td>Schedule FC-A</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Exempt organizations organized under Wisconsin law</td>
<td>Schedule FC-A</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Wisconsin resident individuals, trusts created by Wisconsin residents, grantors of revocable trusts who are Wisconsin residents, estates of individuals who are Wisconsin residents on the date of death, and guardians on behalf of wards</td>
<td>Schedule FC-A</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Wisconsin resident partners, LLC members, and tax-option (S) corporation shareholders</td>
<td>Schedule FC-A</td>
<td>Form 1, 1NPR, 2, 4, 4T, or 6</td>
</tr>
</tbody>
</table>

(5) Is the credit transferable?

No.

(6) When must the credit be claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s Wisconsin franchise or income tax return.

(7) Is the credit refundable or nonrefundable?

The credit is refundable. If the credit is not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance will be refunded. The credit may be offset against the economic development surcharge.

(8) Is the credit includable in taxable income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year received.

(9) Where can I obtain more information?

See the instructions for Schedule FC-A and Publication 503, Wisconsin Farmland Preservation Credit.

12. JOBS TAX CREDIT

A. What Is the Purpose Of the Credit?

For taxable years beginning on or after January 1, 2010, and before January 1, 2016, the jobs tax credit is equal to any of the following: Ten percent of wages paid to an eligible employee in the taxable year as certified by the Wisconsin Economic Development Corporation (WEDC) and the amount of costs incurred by the claimant during the taxable year, as determined by WEDC, to undertake training activities.

"Eligible employee" means a person employed in a full-time job by a person certified by WEDC.

"Full-time job" means a regular, nonseasonal full-time position in which an individual, as a condition of employment, is required to work at least 2,080 hours per year, including paid leave and holidays, and for which
the individual receives pay that is equal to at least 150 percent of the federal minimum wage and benefits that are not required by federal or state law.

WEDC may grant exceptions to the requirement that a full-time job means a position in which an individual, as a condition of employment, is required to work at least 2,080 hours per year if all of the following apply: the annual pay for the position is more than the amount determined by multiplying 2,080 by 150 percent of the federal minimum wage, and an individual in the position is offered retirement, health, and other benefits that are equivalent to the retirement, health, and other benefits offered to an individual who is required to work at least 2,080 hours per year.

The jobs tax credit may not be computed for taxable years beginning on or after January 1, 2016; 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 taxable years beginning after December 31, 2015, for as long as the contract specifies.

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule JT</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule JT</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations¹</td>
<td>Schedule JT</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule JT</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships²</td>
<td>Schedule JT</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

¹ The credit is allowed only if the exempt organization pays wages to eligible employees or incurs costs to undertake training activities as part of an unrelated trade or business activity.

² Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferable?

No.

D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s franchise or income tax return.

E. Is the Credit Refundable or Nonrefundable?

For taxable years beginning in 2010 and 2011, the jobs tax credit was nonrefundable. Any unused credits for these two years may be carried forward to taxable years beginning in 2012. The credit may not be used to offset the economic development surcharge.

For taxable years beginning in 2012 and after, the jobs tax credit is refundable. The credit may be offset against the economic development surcharge.
F. Is the Credit Includable in Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed.

G. Where Can I Obtain More Information?

See the instructions for Schedule JT.

13. LOW-INCOME HOUSING TAX CREDIT

A. What Is the Purpose Of the Credit?

The low-income housing tax credit provides an incentive for creating housing for people who fall within certain income levels. The amount of credit is determined by the Wisconsin Housing and Economic Development Authority (WHEDA).

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule LI</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule LI</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations¹</td>
<td>Schedule LI</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule LI</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships²</td>
<td>Schedule LI</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

¹ The credit is allowed only if the exempt organization constructs low-income housing as part of an unrelated trade or business activity.
² Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferable?

No.

D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s franchise or income tax return.

E. Is the Credit Refundable or Nonrefundable?

The credit is nonrefundable. If the credit is not entirely offset against Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credit may not be used to offset the economic development surcharge.
F. **Is the Credit Includable in Taxable Income?**

The credit you compute is not income and is not required to be reported on your Wisconsin franchise or income tax return in the year computed.

G. **Where Can I Obtain More Information?**

- For credit eligibility questions, contact WHEDA at: wheda.com/developers-and-property-managers/tax-credits/htc
- For tax related questions, see the instructions for Schedule LI.

14. **MANUFACTURER’S SALES TAX CREDIT – CARRYFORWARD OF UNUSED CREDIT**

The manufacturer’s sales tax credit may not be computed for taxable years that begin after December 31, 2005. Instead, effective January 1, 2006, a sales and use tax exemption applies to fuel and electricity consumed in manufacturing tangible personal property in Wisconsin. For more information on the sales and use tax exemption, see Wisconsin Tax Bulletin issue No. 137 (January 2004), page 6, issue No. 142 (April 2005), page 13, and issue No. 145 (November 2005), page 15. These publications are available on the Department of Revenue website, at revenue.wi.gov/Pages/ISE/wtb-Home.aspx.

The treatment of manufacturer’s sales tax credit computed but unused for taxable years that began before January 1, 2006, depends on the amount of unused credit.

**Taxpayers with $25,000 or less of unused manufacturer’s sales tax credit as of January 1, 2006,** may use up to 50% of the credit in each of the taxable years beginning in 2006 and 2007. The credit is nonrefundable. If the credit was not entirely offset against Wisconsin franchise or income taxes due for the taxable year, the balance may be carried forward for the remainder of the 20-year carryforward period. The credit may not be offset against the economic development surcharge.

**Taxpayers with more than $25,000 of unused manufacturer’s sales tax credit as of January 1, 2006,** may deduct in each of the taxable years beginning after December 31, 2005 and before January 1, 2008, 50% of the amount of unused credit that the taxpayer added back to income at the time the taxpayer first claimed the credit. For taxable years that begin after December 31, 2007, taxpayers having more than $25,000 of unused credits as of January 1, 2006 may be eligible for a manufacturing investment credit.

Use Schedule MS to compute the credit carryforward allowable. For further information, see the Schedule MS instructions.

15. **MANUFACTURING AND AGRICULTURE CREDIT**

A. **What is Purpose Of the Credit?**

The manufacturing and agriculture credit is available to businesses that generate qualified production activities income from property located in Wisconsin that is assessed as either manufacturing or agricultural. The credit provides an incentive for manufacturing and agricultural businesses currently operating in Wisconsin and provides an incentive for others to move to Wisconsin, expand their business operations in Wisconsin, or create a start-up business that is manufacturing or agricultural related. The credit is available for taxable years that begin on or after January 1, 2013.

Qualified production property is tangible personal property manufactured in whole or in part by the claimant on property that is assessed as manufacturing property under sec. 70.995, Wis. Stats., or tangible personal
property produced, grown, or extracted in whole or in part by the claimant on or from property assessed as agricultural property under sec. 70.32(2)(a)4, Wis. Stats.

The credit is a percentage of eligible qualified production activities income. The credit is calculated by multiplying eligible qualified production activities income by 7.5 percent.

For individuals, the credit is limited to the amount of income tax paid on the income from which the credit is based.

- For shareholders of a tax−option corporation, the credit may be offset only against the tax imposed on the shareholder’s prorated share of the tax−option corporation’s income.
- For partners of a partnership, the credit may be offset only against the tax imposed on the partner’s distributive share of partnership income.
- For members of a limited liability company, the credit may be offset only against the tax imposed on the member’s distributive share of the limited liability company’s income.

For a corporation, eligible qualified production activities income is the lesser of:

- eligible qualified production activities income,
- income apportioned to Wisconsin, or
- income taxable to Wisconsin as determined by combined reporting law, if the corporation is a member of a Wisconsin combined group

For individuals and fiduciaries, the amount of eligible qualified production activities income that may be claimed in computing the manufacturing credit is required to be reduced by the amount of qualified production activities income taxed by another state upon which the Wisconsin credit for taxes paid to another state is claimed.

Income from the following activities may not be used to claim the credit:

- Film production,
- Producing, transmitting or distributing electricity, natural gas, or potable water,
- Constructing real property (except that income from producing materials which become real property can qualify for the credit),
- The sale of food and beverage that you prepared at a retail establishment,
- The lease, rental, license, sale, exchange, or other disposition of land, and
- Engineering or architectural services.

### B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule MA-M or MA-A</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule MA-M or MA-A</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations</td>
<td>Schedule MA-M or MA-A</td>
<td>Form 4T</td>
</tr>
</tbody>
</table>
### Entity | Schedule Used to Compute Credit | Form on Which Credit Claimed
--- | --- | ---
Partnerships | Schedule MA-M or MA-A | Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6
Sole proprietorships | Schedule MA-M or MA-A | Form 1, 1NPR, or 2

1. The credit is allowed only to the extent the claimant’s business relates to an unrelated trade or business activity.
2. Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

**C. Is the Credit Transferable?**

No.

**D. When Must the Credit Be Claimed?**

Claim the credit within four years of the unextended due date of the taxpayer’s franchise or income tax return.

**E. Is the Credit Refundable or Nonrefundable?**

The credit is nonrefundable. If the credit is not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credit may not be offset against the economic development surcharge.

**F. Is the Credit Includable In Taxable Income?**

The amount of credit computed is income and must be reported as income on the claimant’s Wisconsin franchise or income tax return for the taxable year immediately after the taxable year in which the credit is computed.

**G. Where Can I Obtain More Information?**

- See the common questions for the manufacturing and agriculture credit. [revenue.wi.gov/Pages/FAQS/ise-manufagr.aspx](http://revenue.wi.gov/Pages/FAQS/ise-manufagr.aspx)
- See the instructions for Schedules MA-A or MA-M.

### 16. MANUFACTURING INVESTMENT CREDIT

**A. What Is the Purpose Of the Credit?**

Taxpayers with over $25,000 in unused manufacturer’s sales tax credit as of January 1, 2006, and who meet certain criteria are eligible for the manufacturing investment credit. The former Wisconsin Department of Commerce certified companies eligible for the manufacturing investment credit.

Companies eligible for the manufacturing investment credit must have filed an application with the Department of Commerce no later than September 30, 2008.

**B. Who May Qualify For the Credit and On What Form Is it Claimed?**
<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule MI</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule MI</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Schedule MI</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule MI</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Sole proprietorships&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Schedule MI</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

<sup>1</sup> This credit is allowed to the extent the exempt corporation’s unrelated trade or business was certified and had manufacturer’s sales tax credit carryover to 2006 of more than $25,000.

<sup>2</sup> Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.

C. Is the Credit Transferable?

No.

D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s franchise or income tax return. The credit can first be claimed for taxable years beginning after December 31, 2007.

E. Is the Credit Refundable or Nonrefundable?

The credit is nonrefundable. The credit is equal to the amount of unused manufacturer’s sales tax credit amortized over a 15-year period, starting with the taxable year beginning after December 31, 2007. If a taxpayer is unable to use the 1/15 share of the credit in a tax year, the unused share or portion may be carried forward for up to 15 years. The amortized amount may be offset against the claimant’s franchise or income tax due. The credit may not be offset against the economic development surcharge.

F. Is the Credit Includable In Taxable Income?

The credit you compute is income and must be reported on your Wisconsin franchise or income tax return in the year computed.

**Note:** The amount on line 2 of Schedule MI (1/15<sup>th</sup> of the total credit) must be included in income for each taxable year for taxable years beginning in 2008 through taxable years beginning in 2022. This is true even if you cannot use the full amount of a credit computed this year to offset tax liability for this year and must carry over part or all of it to future years.

G. Where Can I Obtain More Information?

See the instructions for Schedule MI.

17. RESEARCH CREDITS

Research credits are available for increasing research activities in Wisconsin. Corporations have been eligible to compute and claim the Wisconsin research credit since its inception in 1984. For taxable years beginning on or after
January 1, 2013, the research expense credits may be claimed by individuals, partnerships, tax-option (S) corporations, and limited liability companies in addition to corporations.

"Qualified research expenses" are defined in section 41(b) of the Internal Revenue Code as amended to December 31, 2020, with certain exceptions that are explained in the Form 4 and Form 6 instructions. They are the sum of in-house research expenses and 65% of contract research expenses (75% for payments made to qualified research consortia).

"Qualified research," defined in IRC section 41(d), means research, the costs of which may be treated as expenses under IRC section 174. The research must be undertaken for the purpose of discovering information that is technological in nature, and its application must be intended for use in developing a new or improved business component of the taxpayer.

For purposes of computing the Wisconsin research credits, "Internal Revenue Code" means the federal Internal Revenue Code (IRC) as amended to December 31, 2020, with certain exceptions that are explained in the Form 4 or Form 6 instructions. For purposes of IRC section 41, Wisconsin follows subsection (b) for the definition of qualified research expenses, subsection (c) for determining the base amount, and subsection (d) for the definition of qualified research.

Wisconsin does not follow the following provisions of IRC § 41 for purposes of computing the Wisconsin research expense credit:

- Section 41(f)(1), which provides special rules for the aggregation of expenditures for a controlled group of taxpayers filing a federal consolidated return
- Section 41(f)(2), which provides for special allocations in the case of estates, trusts, and partnerships
- Section 41(f)(5), relating to the definition of a controlled group of corporations
- Section 41(f)(6), regarding an energy research consortium
- The changes to IRC § 41 under § 1351 of P.L. 109-58, as it pertains to certain collaborative energy research consortia.

A. Research Credit for Increasing Research

What is the purpose of the credit?

The research expense credit provides an incentive for increasing qualified research activities in Wisconsin. The credit is equal to 5.75 percent of the amount by which the claimant's qualified research expenses for the taxable year exceed 50 percent of the average qualified research expenses for the 3 taxable years immediately preceding the taxable year for which the claimant claims the credit. If the claimant had no qualified research expenses in any of the 3 taxable years immediately preceding the taxable year for which the claimant claims the credit, the claimant may claim an amount equal to 2.875 percent of the qualified research expenses for the taxable year for which the credit is claimed.

For taxable years beginning on or after January 1, 2018, and before January 1, 2021, up to 10 percent of the research credit is refundable. For taxable years beginning on or after January 1, 2021, up to 15 percent of the research credit is refundable. The maximum refundable portion of the credit is computed by multiplying the current year’s research credit by the corresponding percentage. The refundable portion is the lesser of 1) the current year research credit remaining after subtracting the amount of current year credit used to offset tax, or 2) the corresponding percentage of the current year research credit.

B. Research Credit for Activities Related to Internal Combustion Engines
What is the purpose of the credit?

The research credit for activities related to internal combustion engines provides an incentive for increasing qualified research activities in Wisconsin. The credit is equal to 11.5 percent of the amount by which the claimant’s qualified research expenses for the taxable year exceed 50 percent of the average qualified research expenses for the 3 taxable years immediately preceding the taxable year for which the claimant claims the credit. If the claimant had no qualified research expenses in any of the 3 taxable years immediately preceding the taxable year for which the claimant claims the credit, the claimant may claim an amount equal to 5.75 percent of the qualified research expenses for the taxable year for which the credit is claimed.

For taxable years beginning on or after January 1, 2018, and before January 1, 2021, up to 10 percent of the research credit is refundable. For taxable years beginning on or after January 1, 2021, up to 15 percent of the research credit is refundable. The maximum refundable portion of the credit is computed by multiplying the current year’s research credit by the corresponding percentage. The refundable portion is the lesser of 1) the current year research credit remaining after subtracting the amount of current year credit used to offset tax, or 2) the corresponding percentage of the current year research credit.

C. Research Credit For Activities Related to Certain Energy Efficient Products

What is the purpose of the credit?

The research credit for activities related to certain energy efficient products provides an incentive for increasing qualified research activities in Wisconsin. The credit is equal to 11.5 percent of the amount by which the claimant’s qualified research expenses for the taxable year exceed 50 percent of the average qualified research expenses for the 3 taxable years immediately preceding the taxable year for which the claimant claims the credit. If the claimant had no qualified research expenses in any of the 3 taxable years immediately preceding the taxable year for which the claimant claims the credit, the claimant may claim an amount equal to 5.75 percent of the qualified research expenses for the taxable year for which the credit is claimed.

For taxable years beginning on or after January 1, 2018, and before January 1, 2021, up to 10 percent of the research credit is refundable. For taxable years beginning on or after January 1, 2021, up to 15 percent of the research credit is refundable. The maximum refundable portion of the credit is computed by multiplying the current year’s research credit by the corresponding percentage. The refundable portion is the lesser of 1) the current year research credit remaining after subtracting the amount of current year credit used to offset tax, or 2) the corresponding percentage of the current year research credit.

D. Who May Qualify For the Credits and On What Form Are They Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credits</th>
<th>Form on Which Credits Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule R</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule R</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations¹</td>
<td>Schedule R</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule R</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships²</td>
<td>Schedule R</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

¹ The credit is allowed only to the extent the claimants business relates to an unrelated trade or business activity.
² Estates and trusts share the credit among themselves and their beneficiaries in proportion to the income allocable to each.
E. Are the Credits Transferable?

Generally no, except the non-refundable research expense credits of any member of a combined group may be shared with other members of the same combined group on a proportionate basis as provided in sec. 71.255(6)(c), Wis. Stats.

Note: A corporation is not required to share its non-refundable research expense credits. Special rules apply to combined group members sharing their respective non-refundable research expense credits. Additional information can be found in the instructions to Form 6CS: Sharing of Research Credits for Combined Group Members, and sec. Tax 2.61(10)(c) and (d), Wis. Adm. Code.

F. When Must the Credits Be Claimed?

Claim the credits within four years of the unextended due date of the corporation's franchise or income tax return.

G. Are the Credits Refundable or Nonrefundable?

The credits may be partly refundable and partly nonrefundable as explained above.

If the non-refundable credits are not entirely offset against Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for 15 years. The credits may not be offset against the economic development surcharge.

H. Are the Credits Includable In Taxable Income?

The credits you compute on Schedule R are income and must be reported on your Wisconsin franchise or income tax return in the year computed. This is true even if you cannot use the full amount of the credits computed this year to offset tax liability for this year and must carry part or all of them forward to future years.

I. Where Can I Obtain More Information?

- See the instructions for Schedule R.
- Publication 131, Tax Incentives for Conducting Qualified Research in Wisconsin.
- Refundable Portion of Research Credit Common Question: revenue.wi.gov/Pages/FAQS/research-credit-cq.aspx

18. SUPPLEMENT TO FEDERAL HISTORIC REHABILITATION TAX CREDIT

A. What Is the Purpose Of the Credit?

The supplement to the federal historic rehabilitation tax credit provides an incentive to businesses to rehabilitate certified historic structures located in Wisconsin that are used for the production of income. The building must be listed in the National Register of Historic Places or determined to be historic and will be listed in the National Register.

In order to claim the credit, the qualified rehabilitation expenditures during the 24-month or 60-month rehabilitation period must be at least $50,000. The expenditure test must be met within a 24-month (or, for phased rehabilitation projects, a 60-month) period that you select and that ends with or within your taxable year. Figure your adjusted basis on the first day of the 24-month or 60-month rehabilitation period.
The credit equals 20% of the qualified rehabilitation expenditures incurred during the rehabilitation period, except that for taxable years beginning July 1, 2018, the maximum amount of credit is $3,500,000 for all projects undertaken on the same parcel.

The credit must be claimed ratably over a five-year period beginning with the year the building is place in service; however, there is a transitional rule that allows the full credit to be claimed for qualified rehabilitation expenditures incurred on a building that is owned or leased at all times on or after January 1, 2018 if the taxpayer selected the 24- or 60-month period measuring period by June 20, 2018.

"Qualified rehabilitation expenditures" are amounts incurred that must be capitalized and added to the basis of the building rather than deducted. Qualified expenditures don’t include any amount being depreciated under an accelerated method, the cost of acquiring the building itself or any interest in the building, or any expense incurred for the enlargement of an existing building.

The Wisconsin Historical Society administers the historic preservation program. A business must formally apply to the National Park Service, through the Wisconsin Historical Society, for approval of the project before beginning the physical work of construction or destruction in preparation of construction. In addition, the business generally must receive final certification of the completed work from the National Park Service before claiming the credit. For more information, visit the Historical Society’s website at wisconsinhistory.org/hp/buildings, write to the Division of Historic Preservation, Wisconsin Historical Society, 816 State Street, Madison, WI 53706-1482, or call (608) 264-6490 or (608) 264-6491.

The Wisconsin Economic Development Corporation (WEDC) certifies the maximum amount of supplement to the federal historic rehabilitation credits that may be awarded. For more information, contact WEDC at: wedc.org/inside-wedc/contact-us/ or call 1-855-469-4249.

The Department of Revenue administers claiming historic tax credits on tax returns and credit transfers. For more information, visit the department's website at: revenue.wi.gov/Pages/FAQS/pcs-historic-transfer-of-credit.aspx, email us at: DORFranchise@wisconsin.gov, or call (608) 266-2772.

B. Who May Qualify For the Credit and On What Form Is it Claimed?

<table>
<thead>
<tr>
<th>Entity</th>
<th>Schedule Used to Compute Credit</th>
<th>Form on Which Credit Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>Schedule HR³</td>
<td>Form 4 or 6</td>
</tr>
<tr>
<td>Tax-option (S) corporations</td>
<td>Schedule HR³</td>
<td>Reported on Form 5S, Schedule 5K, passed through to shareholders on Schedule 5K-1, and claimed on Form 1, 1NPR, or 2</td>
</tr>
<tr>
<td>Exempt corporations¹</td>
<td>Schedule HR³</td>
<td>Form 4T</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Schedule HR³</td>
<td>Reported on Form 3, Schedule 3K, passed through to partners on Schedule 3K-1, and claimed on Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6</td>
</tr>
<tr>
<td>Sole proprietorships²</td>
<td>Schedule HR³</td>
<td>Form 1, 1NPR, or 2</td>
</tr>
</tbody>
</table>

¹ The credit is allowed only if the exempt organization rehabilitates a certified historic structure used in an unrelated trade or business.

² Estates and trusts share the supplement to the federal historic rehabilitation tax credit among themselves and their beneficiaries in proportion to the income allocable to each.

³ If the credit is being sold or transferred and must be claimed ratably over a five-year period, use Schedule HR-5 instead of Schedule HR to claim all five years of the credit.
C. Is the Credit Transferable?

Yes. For taxable years beginning on or after January 1, 2014, any person, including a nonprofit entity described in section 501(c)(3) of the Internal Revenue Code, may sell or otherwise transfer the credit, in whole or in part, to another person who is subject to the taxes imposed under sec. 71.02, 71.08, 71.23, or 71.43, Wis. Stats., if the person notifies the Department of Revenue (DOR) of the transfer by submitting Form HR-T and a copy of the transfer documents, and DOR certifies ownership of the credit with each transfer.

Sellers of the credit may only claim 20% of the credit per year for five years, and as a result, they may only transfer the amount eligible to be claimed each year. However, if a claimant wants to transfer the entire credit prior to claiming the credit on each tax return, the claimant must claim the entire credit by submitting Schedule HR-5, Wisconsin Supplement to the Federal Historic Rehabilitation Tax Credit – Five-Year Credit Claim. Upon receipt and approval of Schedule HR-5 and Schedule HR-T, Transfer of Supplement to the Federal Historic Rehabilitation Credit, the department will issue a Notice of Certification letter indicating the total amount of credit transferred and the total amount eligible to be used by the transferee for each taxable year. Purchasers of the credit are not required to claim the credit over a five-year period.

Carryforward of Transferred Credits

If DOR adjusts or disallows, in whole or in part, a credit that has been transferred, only the person who originally transferred the credit to another person is liable to repay the adjusted or disallowed amount.

The carryforward period for credits purchased will continue to be the remaining carryforward period of the original holder of the credits. For example, if a claimant purchases a supplement to the federal historic rehabilitation tax credit with a remaining credit carryforward of 8 years at the time of purchase, the purchaser will also have an 8-year credit carryforward.

The purchaser can first use the credit in the tax year the purchase is completed (when consideration is paid or when the transfer occurs for situations where no consideration is paid). For example, a tax credit from the 2018 tax year is purchased in 2022 when consideration is exchanged for the credit. The credit can be used by the purchaser in tax year 2022 or later. The purchaser cannot amend their return to use the credit in 2018, 2019, 2020, or 2021 because the purchase of the credit is not considered to take place until the consideration is paid. As such, the purchaser doesn't have a right to use the credits until the time the purchase is complete, which is during 2022.

Tax Issues

The entity transferring the tax credit will be required to recognize a capital gain on the sale of the credit equal to the difference between the basis of the tax credit, which would be zero unless the seller previously purchased the tax credit for consideration, and the fair market value of consideration received for the credit. The character of the capital gain as either short-term or long-term is determined based on the amount of time between the date the seller made the qualifying investment and the date the credit is transferred. If the time period is more than one year, it is a long-term capital gain; if the time period is one year or less, it is a short-term capital gain.

The entity purchasing the tax credit will recognize capital gain income when the credit is used to offset a Wisconsin income tax liability. The capital gain recognized is equal to the difference between the purchaser’s basis in the tax credit, which is the fair market value of consideration paid for the tax credit and any transaction costs incurred to acquire the tax credit, and the amount of Wisconsin income tax liability satisfied by use of the tax credit. The character of the capital gain as either short-term or long-term is determined based on the amount of time between the date the purchaser acquired the tax credit and the date the credit is used to offset the purchasers Wisconsin income tax liability. If the time period is more than one year, it is a long-term capital gain; if the time period is one year or less, it is a short-term capital gain.
D. When Must the Credit Be Claimed?

Claim the credit within four years of the unextended due date of the taxpayer’s Wisconsin franchise or income tax return.

E. Is the Credit Refundable or Nonrefundable?

The credit is nonrefundable. If the credit is not entirely offset against qualifying Wisconsin franchise or income taxes due for the current taxable year, the balance may be carried forward for a maximum of 15 years. The credit may not be offset against the economic development surcharge.

F. Is the Credit Includable In Taxable Income?

The credit you compute is not considered income and is not required to be reported on your Wisconsin franchise or income tax return in the year computed. Instead, the qualified rehabilitation expenses are added to the basis of the building and depreciated using the straight line method of depreciation, and the credit computed reduces the basis of the building.

G. Where Can I Obtain More Information?

- See the instructions for Schedules HR and HR-5.
- See the instructions for Form HR-T.
- Common questions: revenue.wi.gov/Pages/FAQS/pcs-historic-transfer-of-credit.aspx

19. ADDITIONAL INFORMATION AND FORMS

If, after reading this publication, you have any questions about the Wisconsin tax credits, you may:

- Email: DORFranchise@wisconsin.gov or DORAuditPassThrough@wisconsin.gov
- Fax: (608) 267-0834
- Call (608) 266-2772
- Write Mail Stop 3-107
  Audit Bureau
  Wisconsin Department of Revenue
  PO Box 8906
  Madison, WI 53708-8906
- Call or visit any Department of Revenue office.

If you need forms, download them from the department’s website at revenue.wi.gov/Pages/HTML/formpub.aspx.
## 20. AVAILABILITY OF BUSINESS TAX INCENTIVES

<table>
<thead>
<tr>
<th>Tax Incentive</th>
<th>Corporations</th>
<th>Tax-Option Corporations</th>
<th>Partnerships</th>
<th>Individuals, Estates, and Trusts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business development credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Community development finance credit</td>
<td>Yes</td>
<td>Yes. Claimed by corporation.</td>
<td>No.</td>
<td>No</td>
</tr>
<tr>
<td>Community rehabilitation program credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Development zones credits</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Early stage seed investment credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Economic development tax credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Electronics and information technology manufacturing zone credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Employee college savings account contribution credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>No³</td>
</tr>
<tr>
<td>Enterprise zone jobs credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Farmland preservation credit</td>
<td>Yes</td>
<td>Yes. Shareholders may claim credit based on share of corporation’s taxes.</td>
<td>Yes. Partners or LLC members may claim credit based on share of entity’s taxes.</td>
<td>Yes</td>
</tr>
<tr>
<td>Jobs tax credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Low-income housing tax credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Manufacturer’s sales tax credit - Carryforward of unused credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Manufacturing and agriculture tax credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Tax Incentive</td>
<td>Corporations</td>
<td>Tax-Option Corporations</td>
<td>Partnerships</td>
<td>Individuals, Estates, and Trusts</td>
</tr>
<tr>
<td>---------------------------------------</td>
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<td>-------------------------</td>
<td>--------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Manufacturing investment credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Research credits</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
<tr>
<td>Supplement to federal historic rehabilitation tax credit</td>
<td>Yes</td>
<td>Yes. Calculated by corporation and passed through to shareholders.</td>
<td>Yes. Calculated by entity and passed through to partners or LLC members.</td>
<td>Yes</td>
</tr>
</tbody>
</table>

1 An individual who is a partner in a partnership, member in a limited liability company, or shareholder in a tax-option (S) corporation may claim their share of the credit allocated to them. Federal Schedule C employers and estate and trusts are not eligible to compute or use the credit.

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of April 19, 2023: ch. 71, Wis. Stats., and Chapters Tax 1, 2, and 3, Wis. Adm. Code.

Laws enacted and in effect after this date, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to this date, that is contrary to the information in this document is superseded by this document, according to sec. 73.16(2)(a), Wis. Stats.