

**Woody Biomass Harvesting and Processing Credit****2014**Wisconsin Department  
of Revenue

File with Wisconsin Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6

*Read instructions before filling in this schedule*

Name	Identifying Number
<b>1</b> Enter amount of woody biomass harvesting and processing credit allocated to you by the Department of Agriculture, Trade, and Consumer Protection. . . . .	<b>1</b>
<b>2</b> Enter woody biomass harvesting and processing credit passed through from other entities. . . . .	<b>2</b>
<b>3</b> Add lines 1 and 2. . . . .	<b>3</b>
<b>4</b> Maximum credit. . . . .	<b>4</b> \$100,000
<b>4a</b> Enter credit computed for prior years. . . . .	<b>4a</b>
<b>4b</b> Subtract line 4a from line 4. . . . .	<b>4b</b>
<b>5</b> Fill in the smaller of line 3 or line 4b. This is your 2014 woody biomass harvesting and processing credit. . . . .	<b>5</b>
<b>5a</b> Fiduciaries - enter the amount of credit allocated to beneficiaries. . . . .	<b>5a</b>
<b>5b</b> Fiduciaries - subtract line 5a from line 5. . . . .	<b>5b</b>

**Instructions for 2014 Schedule WB****Purpose of Schedule WB**

Use Schedule WB to claim the woody biomass harvesting and processing credit, which is available for taxpayers who are certified by the Department of Agriculture, Trade, and Consumer Protection (DATCP). For information regarding how to become certified, visit the DATCP web site at [datcp.wi.gov](http://datcp.wi.gov) or call 608-224-5136.

The credit is available for taxable years beginning on or after January 1, 2010, and **before January 1, 2015**.

**Who is Eligible to Claim the Credit**

Any individual, estate, trust, partnership, limited liability company (LLC), corporation or tax-exempt organization that is certified by the DATCP may be eligible to compute the credit.

Partnerships, LLCs treated as partnerships, and tax-option (S) corporations cannot claim the credit, but the credit amount attributable to the entity's business operations pass through to the partners, members, or shareholders.

No credit is allowed unless the claimant satisfies the following requirements:

- The claimant is certified by the DATCP.
- The claimant has received from the DATCP notice of the amount of credit allocated to the claimant.

The credit must be claimed within four years of the unextended due date of the return.

**Maximum Credit**

The maximum woody biomass harvesting and processing credit allowed for taxable years that begin on or after January 1, 2010, and before January 1, 2015, is \$100,000.

The aggregate amount of credit that a partnership, limited liability company treated as a partnership, or tax-option (S) corporation may compute may not exceed \$100,000. If two or more persons own and operate the woody biomass harvesting or processing operation, each person may claim a credit in proportion to his or her ownership interest, except that the aggregate amount of credits claimed by all persons who own and operate the operation may not exceed \$100,000.

## Credit is Income

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

### Specific Line Instructions

**Line 1:** Enter the amount of credit as allocated to you by the DATCP based on 10 percent of the amount paid in the taxable year for equipment that is used primarily to harvest or process woody biomass that is used as fuel or as a component of fuel.

“Woody biomass” means trees and woody plants, including limbs, tops, needles, leaves, and other woody parts, grown in a forest or woodland or on agricultural land.

“Used primarily” means to the exclusion of all other uses except for use not exceeding 25 percent of total use.

**Line 2:** Enter the amount of woody biomass harvesting and processing credit passed through from tax-option (S) corporations, partnerships, LLCs treated as partnerships, estates, or trusts. The pass-through credit is shown on Schedule 5K-1 for shareholders of tax-option (S) corporations, Schedule 3K-1 for partners and LLC members, and Schedule 2K-1 for beneficiaries of estates or trusts.

**Line 5:** Fill in the smaller of line 3 or line 4b. This is the total current year woody biomass harvesting and processing credit. Enter the amount of credit from line 5 on the appropriate line of Schedule CR. See the following exceptions:

- If the claimant is a combined group member, enter the amount of credit on Form 6, Part III, line 13 instead of Schedule CR.
- Tax-option (S) corporations, partnerships, and LLCs treated as partnerships should prorate the amount of credit on line 5 among the shareholders, partners, or members based on their ownership interest. Show the credit for each shareholder on Schedule 5K-1 and for each partner or member on Schedule 3K-1.

- Fiduciaries who file Form 2 must complete lines 5a and 5b.

**Line 5a: *Fiduciaries*** - Prorate the credit from line 5 between the entity and its beneficiaries in proportion to the income allocable to each. Show the beneficiaries’ portion of the credit on line 5a. Show the credit for each beneficiary on Schedule 2K-1.

**Line 5b: *Fiduciaries*** - Subtract line 5a from line 5. This is the estate or trusts portion of the credit. Enter the amount of credit from line 5b on the appropriate line of Schedule CR.

### Required Attachments to Return

File your completed Schedule WB with your Wisconsin franchise or income tax return. Include a copy of your certification to claim tax benefits and the notice of the amount of credit allocated to you by the DATCP. Shareholders of tax-option (S) corporations, partners of partnerships, members of LLCs treated as partnerships, and beneficiaries of estates or trusts must file a copy of Schedule 5K-1, 3K-1, or 2K-1, as appropriate, with Schedule WB instead of the certification to claim tax benefits and notice of allocation.

### Additional Information

For more information, you may:

- E-mail your question to [corp@revenue.wi.gov](mailto:corp@revenue.wi.gov)
- Call (608) 266-2772 [TTY: Call the Wisconsin Telecommunications Relay System at 711]
- Send a FAX to (608) 267-0834
- Write to the Audit Bureau, Wisconsin Department of Revenue, Mail Stop 5-144, PO Box 8906, Madison WI 53708-8906.