

**Food Processing Plant and Food Warehouse  
Investment Credit**

**2010**

Wisconsin Department  
of Revenue

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

*Read instructions before filling in this schedule*

Name	Identifying Number
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**1** Fill in the amount paid in 2010 for the following items if used exclusively for food processing plant and food warehouse modernization or expansion as shown in your application to the Wisconsin Department of Commerce:

<b>a</b> Food intake, handling, storage, and warehouse facilities . . . . .	<b>1a</b>	
<b>b</b> Building additions . . . . .	<b>1b</b>	
<b>c</b> Upgrades to utilities, including water, electric, heat, refrigeration, freezing, and waste facilities. . . . .	<b>1c</b>	
<b>d</b> Installing energy savings equipment or equipment that converts waste to energy . . . . .	<b>1d</b>	
<b>e</b> Food or raw material intake and storage equipment . . . . .	<b>1e</b>	
<b>f</b> Processing and manufacturing equipment, including vats, cookers, freezers, pipes, motors, pumps, and valves . . . . .	<b>1f</b>	
<b>g</b> Packaging and handling equipment, including cleaning, sealing, bagging, boxing, labeling, conveying, and product movement equipment . . . . .	<b>1g</b>	
<b>h</b> Warehouse equipment, including storage racks and loading and unloading equipment . . . . .	<b>1h</b>	
<b>i</b> Waste treatment and waste management equipment, including tanks, blowers, separators, dryers, digesters, and equipment to produce energy, fuel, or industrial products . . . . .	<b>1i</b>	
<b>j</b> Computer software or hardware for managing food processing or food warehouse operation, including software and hardware related to logistics, inventory management, production plant controls, and temperature monitoring controls . . . . .	<b>1j</b>	
<b>k</b> Other (list) _____	<b>1k</b>	
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<b>2</b> Add lines 1a through 1k . . . . .	<b>2</b>	
<b>3</b> Amount of credit as allocated by the Wisconsin Department of Commerce for amount on line 2 . . . . .	<b>3</b>	
<b>4</b> Enter food processing plant and food warehouse investment credit passed through from other entities . . . . .	<b>4</b>	
<b>5</b> Add lines 3 and 4 . . . . .	<b>5</b>	
<b>6</b> Maximum credit . . . . .	<b>6</b>	\$200,000
<b>7</b> Fill in the smaller of line 5 or line 6 (see instructions). This is the available food processing plant and food warehouse investment credit . . . . .	<b>7</b>	
<b>7a</b> Fiduciaries - Enter amount of credit from line 7 allocated to beneficiaries . . . . .	<b>7a</b>	
<b>7b</b> Fiduciaries - Subtract line 7a from line 7 . . . . .	<b>7b</b>	

# Instructions for 2010 Schedule FW

## Purpose of Schedule FW

Use Schedule FW to claim the food processing plant and food warehouse investment credit. This credit is available to taxpayers who have invested to modernize or expand food processing or food warehouse facilities in Wisconsin and who have been certified by the Wisconsin Department of Commerce. For information regarding how to become certified, visit the Department of Commerce web site at [www.commerce.wi.gov](http://www.commerce.wi.gov) or write to the Wisconsin Department of Commerce, PO Box 7970, Madison, WI 53707-7970.

The credit is available for taxable years beginning on or after January 1, 2010, and before January 1, 2017.

## Who is Eligible to Claim the Credit

Any individual, estate, trust, partnership, limited liability company (LLC), corporation or tax-exempt organization that has invested in modernizing or expanding food processing or food warehouse facilities in Wisconsin and is certified by the Department of Commerce may be eligible for the credit.

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

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

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

## Maximum Credit

The maximum food processing plant and food warehouse investment credit allowed for taxable years that begin on or after January 1, 2010, and before January 1, 2017, is \$200,000.

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 \$200,000. If two or more persons own and operate the food processing plant or food warehouse, 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 food processing operation may not exceed \$200,000.

## Credit is Income

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

## Specific Line Instructions

**Line 1:** Fill in on lines 1a through 1k the amount paid for constructing, improving, or acquiring buildings or facilities, or acquiring equipment, for food processing or food warehousing. The property must have been acquired and placed in service in Wisconsin in the taxable year beginning in 2010. The property must be used exclusively for food processing or food warehousing.

“Food processing plant” means any place where food processing is conducted, except it does not include (1) dairy plants licensed under sec. 97.20, Wis. Stats., (2) meat establishments licensed under sec. 97.42, Wis. Stats., (3) retail food establishments, or (4) any restaurant or other establishment holding a permit under sec. 254.64, Wis. Stats.

“Food warehouse” means a warehouse used for the storage of food, and includes a cold-storage warehouse, frozen-food warehouse and frozen-food locker plant. It does not include: (1) a warehouse used solely for the storage of grain or other raw agricultural commodities, (2) a retail food establishment, restaurant or other retail facility at which food is stored on a temporary basis incidental to retail preparation or sale, (3) a warehouse located in a dairy plant, a food processing plant, or a meat establishment, and used primarily for the storage of food ingredients or food products manufactured or processed at the licensed establishment, (4) a warehouse operated by a milk distributor and used primarily for the storage and distribution of milk and fluid milk products, and (5) a facility owned or operated by a consumer and used by that consumer to store food for the consumer's use.

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

**Note:** The amount you enter on line 1 should match the amounts in your application to the Wisconsin Department of Commerce

**Line 3:** Fill in the amount of credit allocated to you by the Wisconsin Department of Commerce based on the amounts you entered above.

**Line 4:** If applicable, fill in the amount of food processing plant and food warehouse investment credit passed through from tax-option (S) corporations (from Schedule 5K-1), partnerships and LLCs treated as partnerships (from Schedule 3K-1), and estates and trusts (from Schedule 2K-1).

**Line 7:** Fill in the smaller of the amount on line 5 or line 6. This is your total 2010 food processing plant and food warehouse investment credit. (**Note:** Fiduciaries must go on to lines 7a and 7b).

Enter the amount of credit from line 7 on line 26 of Schedule CR. See the following exceptions:

- If the claimant is a combined group member, enter the amount of credit on Form 4M instead of Schedule CR.
- Tax-option (S) corporations, partnerships, and LLCs treated as partnerships should prorate the amount of credit on line 7 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.

**Line 7a: *Fiduciaries*** - Prorate the credit from line 7 between the entity and its beneficiaries in proportion to the income allocable to each. Show the beneficiaries' portion of the credit on line 7a. Show the credit for each beneficiary on Schedule 2K-1.

**Line 7b: *Fiduciaries*** - Show only the entity's portion of the credit on line 7b. Enter the amount of credit from line 7b on line 26 of Schedule CR.

## Required Attachments to Return

File your completed Schedule FW 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 Department of Commerce. 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 FW 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. If no answer, dial 1-800-947-3529]
- 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.