



# WISCONSIN LEGISLATURE

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## **WELCH AND WIECKERT ANNOUNCE PASSAGE OF BILL TO HELP MANUFACTURING AND DEVELOPMENT**

MADISON- Today the Wisconsin State Senate voted to continue its efforts to support the manufacturing industry with the passage of Assembly Bill 508 (AB 508). Senator Bob Welch (R-Redgranite) and Representative Steve Wieckert (R-Appleton) co-authored AB 508 to allow companies who have sales tax credits for electricity used in the manufacturing process to use these credits for up to twenty years, up from fifteen years under current law.

In addition, Assembly Bill 508 will allow businesses and companies that are located in development zones to use their tax credits in the same year they receive them.

“We started helping businesses last year with the passage of Assembly Bill 507 and this bill continues those efforts,” said Welch.

Last fall, both houses of the Legislature passed, and Governor Doyle signed into law, Assembly Bill 507 that will replace the current income tax credit with a direct sales tax exemption. The effective date of this change is January 1, 2006, meaning that companies will continue to operate under the current credit program for another two years.

“Assembly Bill 508 will bridge the gap between now and January 1, 2006 for those companies that may be nearing the point when their credits expire,” explained Welch. “This bill is the second step in the process.”

An amendment adopted to Assembly Bill 508 will also allow businesses and companies that are located in development zones to use their tax credits in the same year they receive them, whether or not they report a profit.

“This bill is about job creation and helping grow Wisconsin’s economy. This is a win-win for Wisconsin,” said Wieckert.

“We desperately need to maintain our manufacturing jobs in Wisconsin and these bills, in conjunction with one another get us started,” Welch commented. “Governor Doyle agreed with us on the first bill and we are optimistic that he will sign Assembly Bill 508 as well.”

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