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# Wisconsin Legislative Council

## ACT MEMO

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April 18, 2022

**2021 Wisconsin Act 224**  
[2021 Assembly Bill 759]

**Angel Investment Tax Credits**

### BACKGROUND

The Wisconsin Economic Development Corporation (WEDC) administers a program to certify businesses for angel investment tax credits. Under state law, WEDC may certify or recertify a business for the angel investment tax credit only if the business meets several requirements, including that the business has at least 51 percent of the business' employees in this state.

### 2021 WISCONSIN ACT 224

2021 Wisconsin Act 224 creates an exception to the requirement that the business have at least 51 percent of the business' employees in this state. If a business fails to satisfy this requirement in any year due to a business merger or acquisition, WEDC may grant the business a waiver that allows the business to remain eligible for certification or recertification if all the following apply:

- The business maintains its headquarters in this state;
- After the merger or acquisition, the business increases the number of employees the business employs in this state;
- WEDC determines that the merger or acquisition was not for the purpose of relocating the business's operations or employees from this state to another state or for the purpose of ceasing the business's efforts to further grow and expand in this state; and
- No later than the first day of the 13th month beginning after the date of the merger or acquisition, at least 51 percent of the employees employed by the business are employed in this state.

**Effective date:** April 10, 2022

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