Clearinghouse Rule 07-101

SECTION 1.   Chapter Comm 130 is created to read:

Chapter Comm 130

MANUFACTURING INVESTMENT CREDIT

Comm 130.10 Purpose, scope and authority. **(1)** The purpose and scope of this chapter is to establish the procedures for businesses to become certified by the department as being eligible to claim tax credits for fuel and electricity used in manufacturing, under s. 71.07 (3t), 71.28 (3t), or 71.47 (3t), Stats.

(2) This chapter is promulgated under the authority of s. 560.28 (2), Stats.

Comm 130.20 Definitions. In this chapter:

(1) "Annual investment" means the purchase price of depreciable, tangible personal property, and the amount expended to acquire, construct, rehabilitate, remodel, or repair real property, for all of the taxpayer's facilities that are based in Wisconsin, in each calendar year.

(2) "Book value" means an asset's cost minus the accumulated depreciation since the asset was acquired.

Note: This net amount is not an indication of the asset's fair market value. The book value of an asset is also referred to as the asset's carrying value.

(3) "Department" means the department of commerce.

(4) "Full-time job" has the meaning given in s. 560.28 (1), Stats.

Note: Under s. 560.28 (1), Stats., "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 35 hours in a week.

Comm 130.30 General eligibility conditions. Only businesses that meet at least one of the following conditions may become certified:

(1) The business has retained 100 percent of its full-time jobs in Wisconsin from December 23, 2003, through either December 31, 2006, or December 31, 2007.

(2) The business's average annual investment in Wisconsin from January 1, 2003, through either December 31, 2006, or December 31, 2007, is equal to no less than 2 percent of the total book value of the business's depreciable assets in facilities that are based in Wisconsin.

(3) The business's average annual investment in Wisconsin from January 1, 2003, through either December 31, 2006, or December 31, 2007, is no less than $5,000,000.

Comm 130.40 Obtaining certification. (1) APPLICATION FORM. An applicant shall apply for certification to the department on a valid, department-prescribed form.

Note: The application form that is currently valid can be obtained from the department at P.O. Box 7970, Madison, WI, 53707; and may be available by accessing the department's Web site at www.commerce.wi.gov., and searching for the manufacturing investment credit program.

(2) SUBMITTAL. Each application shall be submitted no later than September 1, 2008. The department may request additional information from the applicant to support the application.

(3) APPROVAL. An applicant shall become certified upon issuance of a written approval from the department, to the applicant, reflecting that the submitted application complies with this chapter.

(4) REVOCATION. The department may revoke any approval issued under sub. (3) if the supporting information is found to be inaccurate or significantly misleading.

Note: The department will notify the department of revenue of every business certified under this section, and of any such certification that is revoked.

Comm 130.50 Claims. (1) A certified business may file for tax benefits under this chapter using forms acceptable to the department of revenue.

(2) Manufacturing investment credit claims shall include at least all of the following:

(a) A copy of the certification issued by the department under s. Comm 130.40 (3).

(b) The state employer tax identification number.

(c) The North American Industry Classification System code (NAICS) for the certified business.

(3) No person may file for tax benefits under this chapter without the written approval of the department.

(END)

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EFFECTIVE DATE

Pursuant to s. 227.22 (2) (intro.), Stats., these rules shall become effective on the first day of the month commencing after publication in the Wisconsin administrative register.

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File reference: Comm 130/rules 2007ph