

2011 WISCONSIN JOBS AGENDA

Directly Impacting Business



SHEBOYGAN COUNTY, WISCONSIN – DO MORE

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ABOUT THE 2011 WISCONSIN JOB AGENDA

In the first months of 2011 the new Wisconsin Legislature enacted several bills to improve Wisconsin's business climate to generate economic growth. Following are summaries of eleven acts of the 2011 Wisconsin Jobs Agenda as well as links to additional information. All acts were passed and are now laws of the State of Wisconsin.

The SCEDC would like to thank the office of State Representative Mike Endsley of the 26th Assembly District for compiling and providing much of the following information.

ABOUT SHEBOYGAN COUNTY, WISCONSIN

Sheboygan County is located in east-central Wisconsin, along Lake Michigan between Milwaukee and Green Bay. Manufacturing, agriculture, education, and a strong work ethic are core elements of Sheboygan County's economy.

Sheboygan County has many world-class amenities to offer businesses, residents, and visitors. Communities within have been ranked as the best place to raise a family, the #1 hometown in the USA, one of the best places to retire, and one of the best small places for business and careers over the last 20 years. With all of these accolades, you are sure to find Sheboygan County a spectacular place to simply do more.



Learn what makes us unique at
www.youtube.com/SheboyganCountyEDC

ABOUT THE SCEDC

The Sheboygan County Economic Development Corporation (SCEDC) is a non-profit public/private partnership with the goal of increasing jobs and investment in Sheboygan County, Wisconsin. We have been successful in this effort by leading initiatives to support business and community development, forging strong strategic partnerships with key local and regional organizations, assisting businesses one-on-one with a variety of short and long-term needs, and providing the most accurate up-to-date information available to our clients and stakeholders.

Learn more at www.SheboyganCountyEDC.com

WISCONSIN'S NEW BUSINESS-FRIENDLY LAWS

Relocation Tax Credit (Income Tax Holiday) | Special Session Assembly Bill 3 | [Read the Act Memo](#)

Bill summary: Businesses that relocate at least 51% or \$200,000 in payroll to the State of Wisconsin can claim a tax credit to offset their entire tax liability for two years. No business can claim the "Tax Holiday" if they have done business in Wisconsin in either of the two years prior to relocation.

Small Business Tax Deduction | Special Session Assembly Bill 7 | [Read the Act Memo](#)

Bill summary: The bill provides a \$4,000 tax deduction for every new job created in small businesses with less than \$5 million in annual revenue. Larger companies may receive a \$2,000 deduction for every new sustained job.

Commerce Department Reorganization | Special Session Assembly Bill 6 | [Read the Act Memo](#)

Bill summary: This bill reorganizes the Commerce Department into the Wisconsin Economic Development Corporation (WEDC), a new state authority which will allow Wisconsin to respond to economic development opportunities at the speed of business. The new organization's sole mission is incentivizing job creation and inducing investments in Wisconsin.

Economic Development Tax Credit | Special Session Assembly Bill 4 | [Read the Act Memo](#)

Bill summary: Increases the amount of economic development tax credits available to Wisconsin businesses by \$25 million. The bill permits the newly created Wisconsin Economic Development Corporation (WEDC) to determine how to implement the new tax credits.

Manufacturing Tax Credit | 2011-13 State Budget | [Learn more](#)

Bill summary: A powerful income tax credit has been included in the State Budget to encourage and strengthen manufacturing in Wisconsin. The credit will be phased in over a period of four years beginning in 2013. It will effectively reduce the tax rate on Wisconsin manufacturers' income from 7.9% to 0.4%. You read correctly. Wisconsin will nearly eliminate all state corporate income taxes for manufacturers by 2017.

Tort Reform | Special Session Assembly Bill 1 | [Read the Act Memo](#)

Bill summary: This bill makes several changes to current law regarding civil actions for negligence in long-term care facilities' product liability, actions in strict liability, punitive damage awards, and awards for defending a frivolous lawsuit. The bill also makes changes regarding the confidentiality and use of reviews and evaluations of health care providers and regarding criminal liability for certain acts or omissions by health care providers.

Why it was deemed necessary: In *Thomas v. Mallett*, 2005 WI 129, the Wisconsin Supreme Court held that a manufacturer of white lead carbonate, which was used as a pigment in paint, could be held liable for the injuries caused to a child who had ingested paint that contained the white lead carbonate and who could prove certain elements, even if the child could not prove that a particular manufacturer produced the white lead carbonate that he ingested. The court applied the risk-contribution theory, established in *Collins v. Eli Lilly*, 116 Wis. 2d 166 (1984), saying that all of the manufacturers' white lead carbonate were basically the same, the manufacturers created the risk of injury, and the manufacturers were in a better position than the child to absorb the cost of the injury.

What bill does: Under this bill, a manufacturer is liable for damages caused by the manufacturer's product based on a claim of strict liability if the injured claimant proves that the product was defective, the defective condition made the product unreasonably dangerous, the defective condition existed at the time the product left the control of the manufacturer, the product reached the user or consumer without substantial change, and the defective condition caused the claimant's injuries.

Rural Jobs Act | Assembly Bill 2 | [Read the Act Memo](#)

Bill summary: Allows the Wisconsin Economic Development Corporation to designate eight (8) additional Enterprise Development Zones in Wisconsin, three (3) rural zones in areas up to 5,000 people, two (2) rural zones in areas of 5,000-30,000 people, and three (3) zones anywhere in the state. This would raise the number of Enterprise Zones in Wisconsin from twelve to twenty. Businesses within Enterprise Zones have access to additional tax credits for job creation and significant investments.

Farm Investment Credit | Assembly Bill 5 & Senate Bill 9 | [Read the Act Memo](#)

Bill Summary: Extended the time period in which a farm can claim Dairy and Livestock Farm Investment Credits from 2012 to 2017. These credits equal up to 10% of the costs used to expand or modernize facilities directly related to dairy or livestock production. \$75,000 is the cumulative maximum credit that can be claimed under this program.

Auto Insurance Changes | Assembly Bill 4 | [Read the Act Memo](#)

Bill summary: Bill repeals some of the changes resulting from the 2009 Wisconsin Act 28 in relation to auto insurance, including commercial vehicles. These changes reduce the cost of insuring vehicles in Wisconsin. A summary of these changes are below:

Insurance Required Prior to 2009 Act:

\$25,000 for bodily injury to or death of one person, \$50,000 for bodily injury to or death of more than one person, and \$10,000 for property damage.

After 2009 Vehicle Insurance Act:

\$50,000 for bodily injury to or death of one person, \$100,000 for bodily injury to or death of more than one person, and \$15,000 for property damage.

After 2011 Vehicle Insurance Act:

\$25,000 for bodily injury to or death of one person, \$50,000 for bodily injury to or death of more than one person, and \$10,000 for property damage.

Retailer Discounts | Senate Bill 12 | [Read the Act Memo](#)

Bill summary: Prior to this bill a business could not advertise that state and local taxes would be assumed or absorbed by the business. Companies may now advertise that they can absorb sales taxes. In other words, retailers can now advertise the actual cost of an item to the customer. All applicable taxes must still be paid regardless on how the item is advertised.

Administrative Rules Reform | Special Session Assembly Bill 8 | [Read the Act Memo](#)

Bill summary: Many of our interactions with the state are governed by administrative rules set by agencies to orderly fulfill the duties assigned to them by the State Legislature and Governor. Administrative rules that have an estimated \$20 million or more adverse impact on the state's economy will now require an economic impact analysis. The proposed administrative rule and economic impact analysis must be reviewed and approved by the Wisconsin Department of Administration prior to implementation, except in emergencies.