



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-3677/1
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2015 SENATE BILL 404

December 3, 2015 - Introduced by Senator DARLING, cosponsored by Representatives NEYLON, KRUG, DOYLE, EDMING, T. LARSON, MURPHY, ROHRKASTE, TITTL and R. BROOKS. Referred to Committee on Revenue, Financial Institutions, and Rural Issues.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT** *to create* 16.295 (10) of the statutes; **relating to:** allowing taxpayers to
2 claim early stage seed investment credits for investments in the fund of funds.

Analysis by the Legislative Reference Bureau

This bill allows a taxpayer to claim an early stage seed investment credit based on the taxpayer's investment through the state's fund of funds investment program in a qualified new business venture. Currently, a taxpayer may claim an early stage seed investment credit equal to 25 percent of the taxpayer's investment paid to a fund manager that the fund manager invests in a certified new business venture.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 16.295 (10) of the statutes is created to read:
4 16.295 (10) EARLY STAGE SEED INVESTMENT CREDITS. Funds invested by the
5 investment manager under sub. (5) in venture capital funds managed by investment
6 fund managers certified under s. 238.15 (2) or s. 560.205 (2), 2009 stats., may be used

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SECTION 1

1 as the basis for claiming the early stage seed investment credits under s. 71.07 (5b),
2 71.28 (5b), 71.47 (5b), or 76.638.

3 **SECTION 2. Initial applicability.**

4 (1) This act first applies to taxable years beginning after December 31, 2015.

5 (END)