



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-5348/1
MDE:skw

2023 SENATE BILL 882

January 5, 2024 - Introduced by Senators FEYEN and WANGGAARD, cosponsored by Representatives WITTKE, ZIMMERMAN, ARMSTRONG, GOEBEN, NEDWESKI, O'CONNOR and SHANKLAND. Referred to Committee on Universities and Revenue.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT to amend** 238.15 (3) (e) of the statutes; **relating to:** transferring the
2 angel investment tax credit.

Analysis by the Legislative Reference Bureau

This bill allows the angel investment tax credit to be sold or otherwise transferred to another taxpayer.

Under current law, the angel investment tax credit offsets the individual income tax and equals 25 percent of the claimant's eligible investment in a qualified new business venture that is certified by the Wisconsin Economic Development Corporation. The credit may not be sold or otherwise transferred. The credit is part of the early stage business investment program, along with the early stage seed investment tax credit. Unlike the angel investment tax credit, the early stage seed investment tax credit may be sold or otherwise transferred.

Under the bill, a person eligible to claim the angel investment tax credit may sell or otherwise transfer the credit to another person who is subject to Wisconsin individual income tax if the person notifies WEDC and the Department of Revenue of the transfer and submits a copy of the transfer documents. The bill provides that, as with the early stage seed investment tax credit under current law, a person may not sell or otherwise transfer a credit more than once in a 12-month period and WEDC may charge a fee of up to 5 percent of the credit amount. The bill also specifies that a person may not sell or otherwise transfer an *individual* credit more than once in a 12-month period.

