
2011 JOB CREATION DEDUCTION Fact Sheet

Beginning with taxable years commencing on or after January 1, 2011, a subtraction from federal income is allowed based on the increase in the number of full-time equivalent employees that are employed in Wisconsin during the taxable year. The subtraction from federal income is equal to \$2,000 per eligible employee for businesses with gross receipts of greater than \$5 million or \$4,000 per eligible employee for businesses with gross receipts of \$5 million or less.

This fact sheet provides a general overview of the schedule to file in order to claim the deduction, the qualifications for claiming the deduction, and what documents to include with your tax return. Detailed information is available in the instructions for Schedule JC. Nothing in this fact sheet replaces or changes any provisions of Wisconsin tax law, administrative rules or court decisions.

WHO IS ELIGIBLE TO CLAIM THE DEDUCTION

An individual, estate, trust, limited liability company (LLC), corporation or tax exempt corporation may claim the deduction.

WHO MAY NOT CLAIM THE DEDUCTION

Partnerships, LLCs treated as partnerships, and tax option S-corporations cannot claim the deduction; however, the deduction computed by those business entities can pass through to the partners, members, or shareholders.

QUALIFICATIONS

To qualify for the 2011 Wisconsin jobs creation deduction, you must meet all of the following conditions:

- The employer must increase the number of full-time equivalent employees employed in Wisconsin during the taxable year
- The employer can be an existing business or a new business
- The 2011 business relocation credit or deduction cannot also be claimed

CLAIMING THE DEDUCTION

Use Schedule JC to claim the job creation deduction. For further information, you may visit the Wisconsin Department of Revenue web site at www.revenue.wi.gov, write to the Wisconsin Department of Revenue, Mail Stop 5-144, PO Box 8906, Madison WI 53708-8906, or call the Department of Revenue at 608-266-2772.

DEDUCTION COMPUTATION

The deduction is based on the increase in the number of full-time equivalent employees employed by the taxpayer in Wisconsin during the taxable year, multiplied by \$4,000 for a business with gross receipts of no greater than \$5 million in the taxable year or \$2,000 for a business with gross receipts greater than \$5 million in the taxable year.

**Job Creation
Deduction**

2011

Wisconsin Department
of Revenue

File with Wisconsin Form 1, 1NPR, 2, 3, 4, 4T, 5, or 5S

Read instructions before filling in this form

Name	Identifying Number
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- 1** Fill in the number of full-time equivalent employees you employed in Wisconsin during your taxable year beginning in 2011 (see instructions) **1** _____
- 2** Fill in the number of full-time equivalent employees you employed in Wisconsin during your taxable year beginning in 2010 (see instructions) **2** _____
- 3** Subtract line 2 from line 1. (If line 2 is greater than line 1, fill in zero (0) on line 3. Do not complete the rest of the schedule. You do not qualify for the deduction) **3** _____
- 4** If the gross receipts (see definition in instructions) from the business were \$5,000,000 or less during the 2011 taxable year, fill in \$4,000 on line 4; if gross receipts from the business were greater than \$5,000,000 during the 2011 taxable year, fill in \$2,000 on line 4 **4** _____ .00
- 5** Multiply line 3 by the amount on line 4 **5** _____ .00
- 6** Fill in 2011 job creation deduction passed through from other entities **6** _____ .00
- 7** Add the amounts on lines 5 and 6. This is your 2011 job creation deduction (see instructions) **7** _____ .00
- 7a** Fiduciaries – Fill in the amount of the deduction allocated to beneficiaries. . . **7a** _____ .00
- 7b** Fiduciaries – Subtract line 7a from line 7 **7b** _____ .00

