

Gov. Walker: Calls for increasing tax incentives for Kimberly-Clark

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Proposal would more than double amount of tax credits available to company

MADISON –Governor Scott Walker today called for providing additional tax credits to the Kimberly-Clark Corp. to ensure the company retains its two facilities in Neenah and Fox Crossing.

The governor said he would work with the Legislature to approve an increase in the tax credits available for job retention from 7 percent in current law to 17 percent – the same percentage used to attract Foxconn’s historic investment in Wisconsin.

“The paper industry is vital to Wisconsin’s economy. The State of Wisconsin has been working closely with our local and regional economic development partners to get a better understanding of Kimberly-Clark’s decision and make a strong case for the company to retain its operations in the Fox Valley,” Governor Walker said. “Retaining outstanding Wisconsin companies like Kimberly-Clark is just as important as attracting new companies to our state, which is why I’m proposing we offer larger tax credits to ensure the company keeps those 600 jobs where they belong – in Wisconsin.”

Under current law, the Wisconsin Economic Development Corporation (WEDC) is allowed to offer job retention credits of up to 7 percent of a company’s payroll under its Enterprise Zone Program. Special legislation approved last year created a new WEDC program that raised that figure to 17 percent as part of the incentives for Foxconn. Governor Walker is proposing similar action be taken for Kimberly-Clark.

“Kimberly-Clark is a major employer in Wisconsin and the Fox Valley, and WEDC is committed to working closely with Governor Walker and our key partners in the region to make a concerted effort to avoid any job losses,” said WEDC Secretary and CEO Mark R. Hogan. “We look forward to engaging with the company to learn more about its challenges, and to help develop solutions to overcome those challenges.”

Since the company announced it was reducing operations in the U.S., WEDC has been working with its partners in the Fox Valley, particularly the Fox Cities Regional Partnership, The New North economic development organization and Neenah Mayor Dean Kaufert, to be proactive in its efforts to ensure that Kimberly-Clark continues to have a strong presence in Wisconsin.

State officials have also reached out to company officials to better understand the economics of each of the two plants targeted for closure and to discuss providing incentives to ensure their continued operations.

In another move aimed at strengthening the state’s paper industry, the governor said state officials also are having ongoing discussions with Industrial Assets, the company that purchased Appleton Coated, about providing assistance to the company to continue mill operations in the Fox Valley.