

WEDC changing procedures on Foxconn following Legislative Audit Bureau report

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The Wisconsin Economic Development Corp. is changing its procedures to ensure Foxconn can only collect tax credits on workers living in the state, following the recommendation of a recent Legislative Audit Bureau report.

At a board meeting yesterday in Madison, WEDC CEO Mark Hogan said the agency initially considered some workers outside the state as qualifying for tax credits, because their wages would be taxed by the state.

“LAB came in, they said they did not agree with that,” Hogan said. “We looked at it, we researched it, and we’ve agreed. We agree with the LAB’s recommendation, and we’re following LAB’s recommendation.”

The LAB report last month found Foxconn could collect tax credits on workers who don’t work in the state, under a written policy with WEDC. The audit recommended a change in written procedures to ensure those program credits are only awarded for the Foxconn employees who live within the state’s boundaries, though Hogan in his mid-December response didn’t commit to changing the policy.

Hogan said yesterday the LAB’s recommendation provided “a unique opportunity” for revision, as no tax credits have yet been verified for Foxconn.

Foxconn recently announced it would not reach the minimum job creation threshold to collect tax credits for 2018.

See more at WisBusiness.com.