

Foxconn to receive \$28.8M in state tax credits

Posted on Thursday, Dec 23, 2021

Foxconn will receive \$28.8 million in state tax credits for 2020, just shy of the maximum award the Taiwanese manufacturer could receive under the revised deal Gov. Tony Evers signed this spring.

WEDC CEO Missy Hughes said Wednesday the state certified 579 jobs the company had created at its Racine County facility, which was within the target range. But it fell short of the target capital investment of \$268.6 million by nearly \$2.5 million.

Had the company hit that target, it would've qualified for \$29.1 million in credits.

This is the first time the company has qualified for state tax credits since signing the original incentive agreement with former Gov. Scott Walker in 2017 after it consistently fell short of job hiring targets.

>> WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)

The revised deal Evers signed with the company lowered job and capital investment targets significantly, while also dramatically reducing the potential tax credit Foxconn could receive. Under the new contract, the company can receive \$80 million in refundable state tax credits if it creates 1,451 jobs through the end of 2025 and invests \$672 million.

The original deal called for 13,000 jobs and an investment of \$10 billion.

The Wisconsin Economic Development Corp. on Wednesday also released an auditor's report from late August that found the company paid \$40.2 million in wages during 2020.

The company's submission to the state said it had created 970 jobs in 2020 and

invested \$850 million in the state. But the state audits have consistently found fewer jobs meeting contract standards and less of a capital investment than what the company claimed.

In a statement, Foxconn Technology Group maintained it has invested nearly \$1 billion in Wisconsin “inclusive of all expenditures.”

“This center of gravity has attracted the attention of other manufacturers, businesses and investors who share our vision for a Park that can sustain continued business and community development,” the company said.

Outgoing Assembly Minority Leader Gordon Hintz, a frequent critic of the project, continued to question what the company is doing at the Mt. Pleasant facility. He said the company still isn’t clear with the WEDC Board, of which he is a member, about what it’s doing.

“How is it possible that 579 people work somewhere and no one knows what they do, no one knows what they make?” Hintz said.

Meanwhile, Assembly Speaker Robin Vos, whose district includes the project, touted Wednesday’s announcement as great news for Racine County.

“With the current work environment, it’s crucial we highlight and focus on the businesses that want to participate in Wisconsin’s economy,” the Rochester Republican said.

See the auditor’s report [here](#).