

Wisconsin Manufacturers & Commerce: Manufacturing tax credit supports Wisconsin jobs

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MADISON – Wisconsin Manufacturers & Commerce (WMC) – the combined state chamber and manufacturers’ association – released a [video](#) ahead of Wednesday’s Joint Finance Committee hearing in support of Wisconsin’s Manufacturing and Agriculture Tax Credit (MAC). The video features Andy Walker, president of Edgerton-based I-K-I Manufacturing, discussing how the credit has impacted his company and facilitated growth.

Gov. Tony Evers proposed essentially eliminating the credit in his budget draft, which would increase taxes on manufacturers by an estimated \$650 million. WMC is urging lawmakers to retain the tax credit in the state budget.

“Wisconsin’s 9,000 manufacturers depend on this tax credit, which has allowed employers to reinvest millions into their people, equipment and communities,” said WMC Director of Tax, Transportation & Legal Affairs Evan Umpir. “The MAC lets employers offer higher-paying jobs, remain globally competitive, and, perhaps most importantly, keep operations in Wisconsin rather than seek more tax-friendly states.”

In the video, which is part of WMC’s Two Minute Drill series, Walker shares how the credit incentivized I-K-I to keep their growth in-state. The company was able to automate components of its production, which in turn allowed them to offer higher wages to its staff.

“Over the last five years, we’ve invested over \$20 million in our plant in the form of automation and buildings to house that automation,” shares Walker in the video.

“Without the tax credit, I think it would have been very difficult to come up with the funds to do such a large expansion in the state of Wisconsin.”

As the state grapples with a severe labor shortage, manufacturers are struggling to hire the employees needed to maintain or increase production. To combat that, many manufacturers use the tax savings to upskill their current workforce, offer higher wages and increase benefits – resulting in a better ability to attract and retain a talented workforce.

“Given that we’re in a higher tax state, the MAC tax credit helps us to stay competitive against centrally located low-tax or zero-tax states,” continues Walker in the video. “Without that, I think you’re going to see companies either relocating, expanding or starting in those states instead of Wisconsin.”

WMC plans to release more content in the coming weeks, highlighting how the Manufacturing and Agriculture Tax Credit has benefited Badger State manufacturers and the state’s overall economy.

“Our goal at WMC is to make Wisconsin the most competitive state in the nation to do business,” said Umpir. “Preserving the Manufacturing and Agriculture Tax Credit is critical to our success as a state.”

[Click here to watch the video.](#)