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TO: Senate Committee on Agriculture & Revenue
FROM: Chelsea Jerominski, State Government Affairs Manager, Association of Equipment Manufacturers (AEM)
DATE: November 4, 2025
RE: Senate Bill 482: increasing the carryover period of the research income tax credit.

Thank you for the opportunity to testify in favor of Assembly Bill 494 today. My name is Chelsea Jerominski and I work as the State Government Affairs Manager for the Association of Equipment Manufacturers. AEM is the trade group representing off-road equipment manufacturers and suppliers in the agriculture, construction, utility, mining and forestry sectors. Headquartered in Milwaukee, AEM has almost 140 Wisconsin-based members, supporting over 180,000 jobs across Wisconsin. Our companies are proud to manufacture innovative technology and equipment right here in Wisconsin, investing heavily in Research & Development to improve efficiency, safety, sustainability, and innovation in equipment.

Wisconsin's R&D tax credit is a valuable tool that helps sustain the long-term success of the state's manufacturing industry. AB 484 is an important step forward that further strengthens the tax credit, by allowing businesses to carry over unused research credits for 50 years until they are used to offset tax liability in future years.

Under current law, companies may carry unused research credits for 15 years after the credits are originally claimed. Many manufacturers cannot always use their full credit before it expires because their tax liability may not be large enough. This change will ensure the companies can eventually benefit from the investments they've already made in the state.

Extending the carryover period from 15 years to 50 years encourages greater R&D investment in Wisconsin. The extension gives companies greater flexibility and certainty when making multi-year investments in research and development which makes Wisconsin more attractive for these projects. R&D tax incentives are increasingly important for company's site selection and investment decisions, and increasing the carryover period signals that Wisconsin is committed to helping companies foster innovation.

More R&D investment in the state leads to more high-paying, high-skill jobs for its residents. R&D is already responsible for 41,000 jobs in the state and this number can continue to grow. These workers will then reinvest in their communities via buying houses, going shopping, and paying taxes, further boosting the state’s economy.

This legislation will help foster innovation and make Wisconsin a leader in manufacturing. Thank you again for your time and I am happy to answer any questions.