



## PLEASE SUPPORT SB 845 / AB 945

The linen, uniform and facility services industry consists of linen, garment and apparel distributors that manufacture, sell, rent, and maintain a wide range of customized textiles for businesses, industrial/commercial laundries, and facility services providers. Our business processes include (1) manufacturing customized uniforms and apparel, (2) repurposing and supplying linens, (3) reclaiming and recycling industrial waste streams and (4) ensuring that the textiles we supply to businesses in Wisconsin meet all OSHA, FDA, EPA, JCAHO, DOR, DOT and industry-specific standards and accreditations for the manufacturing, food processing, public utilities, energy, pharmaceutical, healthcare, restaurant, and hospitality sectors.

### BACKGROUND

Qualification for Wisconsin's Manufacturing and Agriculture Tax Credit (MATC) is based on the Standard Industrial Classification (SIC) code, which erroneously omits the linen supply and industrial laundry industry.

*Per Wis. Stat, 77.51(7h)(a), a manufacturer is defined as someone who produces by machinery, "a new article of tangible personal property . . . with a different form, use, and name from existing materials, by a process popularly regarded as manufacturing."*

Our industry is part of a global supply chain that provides a continuous flow of textiles from raw materials to finished products. These materials must go through a series of proprietary processes in our factories to render the finished goods in a useable form. For example, we buy bulk textiles that may need to be dyed, resized, decorated, disinfected, tested to a hygienically clean standard and/or customized to a customer's exacting requirements. All of this is accomplished in our Wisconsin-based manufacturing plants.

Recognizing our industry for the manufacturing tax credit would provide us with the same tax benefits afforded to those industries that we compete with for both customers and employees. This tax relief will generate funds that can be used to address the following triple-bottom-line challenges in our industry:

- *Social impact:* Continue to increase wages and bolster benefits to create and maintain good-paying jobs in Wisconsin for both skilled and unskilled workers.
- *Economic impact:* Purchase new machinery, equipment and technologies that will increase productivity and add capacity for future growth and reinvestment in our communities while minimizing our carbon footprint through lower energy usage and improved efficiency.
- *Environmental impact:* Reinvest in innovative technologies to continue to decrease energy and water usage, lower the costs of providing efficient, recyclable, and reusable textiles to Wisconsin businesses as sustainable alternatives to disposable, single-use products that end up in landfills throughout the state.

### ACTION

- Support Senate Bill 845 / Assembly Bill 945 to modify the Manufacturing and Agriculture Tax Credit and add SIC codes for the linen supply and industrial laundry industry.