

RAIL INFRASTRUCTURE MAINTENANCE TAX CREDIT

TAX CREDITS TO MAINTAIN THE STATE'S RAILWAYS

The **Rail Infrastructure Maintenance Tax Credit** was created in 2026 to incentivize rehabilitating or maintaining existing rail infrastructure.

Eligibility criteria

To qualify for this tax credit, Class II or III railroad owners or carriers must be certified by the Wisconsin Economic Development Corporation (WEDC).

These improvement costs are eligible to be certified as qualified short line maintenance expenditures:

- Rail, tie plates, joint bars, fasteners, ballast, roadbed, subgrade, track
- Switches, crossing signals and gates, safety equipment
- Industrial leads and sidings
- Third-party labor costs for railroad infrastructure rehabilitation or maintenance improvements
- Wages for employees doing railroad infrastructure rehabilitation or maintenance work

The credits may be verified for an amount up to 50% of qualified expenses, subject to other applicable criteria.

How it works

WEDC will enter into contracts with applicants that are certified to claim these tax credits. Certified entities may claim the credits for qualified new rail expenditures or maintenance expenses for taxable years beginning after Dec. 31, 2025, and before Jan. 1, 2031. Applicants cannot be certified to claim both the Rail Infrastructure Maintenance Tax Credit and the Rail Infrastructure Modernization Tax Credit for the same expenditure, nor for any expenditure outside of the eligible tax years. The credits are transferable with authorization from the Wisconsin Department of Revenue.

LEARN MORE ABOUT THE
RAIL INFRASTRUCTURE
MAINTENANCE TAX CREDIT
PROGRAM

For more information about
the Rail Infrastructure
Maintenance Tax Credits
Program, please contact:

Ann Hyra

Business and Community
Development Program
Manager, WEDC
Tel. 608.210.6847
Email: ann.hyra@wedc.org