



2007 ASSEMBLY BILL 642

December 21, 2007 - Introduced by Representatives FRISKE, GRONEMUS, MONTGOMERY, JESKEWITZ, TOWNSEND, A. OTT, HAHN, ALBERS, NASS and MUSSER, cosponsored by Senators OLSEN and ROESSLER. Referred to Committee on Ways and Means.

1 **AN ACT** *to renumber and amend* 79.10 (10) (d); *to amend* 25.75 (2); and *to*
2 *create* 79.10 (10) (d) 2. of the statutes; **relating to:** an ineligible person
3 claiming and receiving the lottery and gaming property tax credit and
4 providing a penalty.

Analysis by the Legislative Reference Bureau

Under current law, the owner of a principal dwelling in this state is eligible to claim and receive a lottery and gaming property tax credit. This bill provides that any person who is ineligible to receive a lottery and gaming property tax credit, but who, knowing he or she is ineligible, claims and receives the credit is subject to a penalty equal to twice the amount of the credit. Under the bill, the Department of Revenue collects the penalty and distributes 50 percent of the amount of the penalty to the lottery fund, 25 percent of the amount of the penalty to the taxation district in which the property related to the credit is located, and 25 percent of the amount of the penalty to the county in which the property related to the credit is located.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

5 **SECTION 1.** 25.75 (2) of the statutes is amended to read:

ASSEMBLY BILL 642**SECTION 1**

1 25.75 (2) CREATION. There is created a separate nonlapsible trust fund known
2 as the lottery fund, to consist of gross lottery revenues received by the department
3 of revenue ~~and~~, moneys transferred to the lottery fund under ss. 20.435 (7) (kg),
4 20.455 (2) (g), and 20.505 (8) (am), (g), and (jm), and moneys deposited into the lottery
5 fund under s. 79.10 (10) (d) 2.

6 **SECTION 2.** 79.10 (10) (d) of the statutes is renumbered 79.10 (10) (d) 1. and
7 amended to read:

8 79.10 (10) (d) 1. If Except as provided in subd. 2, if the department of revenue
9 determines that a credit was extended to a taxpayer who was not entitled to the
10 credit for reasons other than that the taxpayer failed to complete the information
11 required under par. (a), the department of revenue shall instruct the appropriate
12 taxation district to collect the credit as a special charge on the next property tax bill
13 issued for the property.

14 **SECTION 3.** 79.10 (10) (d) 2. of the statutes is created to read:

15 79.10 (10) (d) 2. Any person who is not entitled to the credit and who, knowing
16 he or she is not entitled to the credit, claims and receives the credit is subject to a
17 penalty equal to the amount of the credit that the person received, multiplied by 2.
18 The department of revenue shall collect any penalty assessed under this subdivision,
19 in the manner prescribed by the department, and shall distribute 50 percent of the
20 amount of the penalty to the lottery fund, 25 percent of the amount of the penalty to
21 the taxation district in which the property related to the credit is located, and 25
22 percent of the amount of the penalty to the county in which the property related to
23 the credit is located.

24 **SECTION 4. Initial applicability.**

