

1991 Senate Bill 579

Date of enactment: **June 12, 1992**
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1991 WISCONSIN ACT 323

AN ACT to *renumber* 79.11 (3); to *amend* 79.10 (2), 79.10 (5) (a), 79.10 (7m) (b) 1. a., 79.10 (9) (bm) 1 and 79.10 (10) (d); and to *create* 79.10 (11), 79.11 (3) (b) and 565.02 (7) of the statutes, **relating to:** the lottery credit and requiring an annual report of estimated state lottery revenues and prize payouts.

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

SECTION 1. 79.10 (2) of the statutes, as affected by 1991 Wisconsin Act 269, is amended to read:

79.10 (2) NOTICE TO MUNICIPALITIES. On or before December 1 of the year preceding the distribution under sub. (7m) (a), the department of revenue shall notify the clerk of each town, village and city of the estimated fair market value, as determined under sub. (11), to be used to calculate the lottery credit under sub. (5) and of the amount to be distributed to it under sub. (7m) (a) on the following 4th Monday in July. The anticipated receipt of such distribution shall not be taken into consideration in determining the tax rate of the municipality but shall be applied as tax credits.

SECTION 2. 79.10 (5) (a) of the statutes, as affected by 1991 Wisconsin Act 39, is amended to read:

79.10 (5) (a) Each municipality shall receive, from the appropriation under s. 20.835 (3) (q), an amount determined by multiplying the school tax rate by the estimated fair market value, not exceeding ~~\$8,200~~ the value determined under sub. (11), of every parcel of taxable property on which a principal dwelling is located in the municipality and for which a claim for the credit under sub. (9) (bm) is made by the owner of the principal dwelling.

SECTION 3. 79.10 (7m) (b) 1. a. of the statutes, as affected by 1991 Wisconsin Acts 39 and 269, is amended to read:

79.10 (7m) (b) 1. a. The amount determined under sub. (5) with respect to claims filed for which the town, village or city has furnished notice under sub. (1m) by March 1 shall be distributed from the appropriation under s. 20.835 (3) (q) by the department of administration on the 4th Monday in March ~~and on the first Friday in September.~~ The distribution in March shall equal 88% of the municipality's payment under sub. (5), and the distribution in September shall equal the municipality's total payment under sub. (5) minus the amount distributed in March. ~~The September distribution shall be made to the county in which the municipality is located.~~

SECTION 4. 79.10 (9) (bm) 1 of the statutes, as created by 1991 Wisconsin Act 39, is amended to read:

79.10 (9) (bm) 1. Except as provided in ss. 79.175 and 79.18, every owner of a principal dwelling on a parcel of taxable property is entitled to receive a lottery credit in an amount determined by multiplying the estimated fair market value of the parcel of property, not exceeding ~~\$8,200~~ the value determined under sub. (11), by the school tax rate. The owner shall receive the credit if he or she claims the credit in the manner provided under sub. (10) (a).

SECTION 5. 79.10 (10) (d) of the statutes, as affected by 1991 Wisconsin Acts 39 and 225, is amended to read:

79.10 (10) (d) If the department of revenue determines that a credit was claimed by a taxpayer who was not entitled to the credit for reasons other than that the taxpayer failed to furnish the information required under par. (a), the department of revenue shall collect the credit

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as a special charge against the county where the property for which the credit was claimed is located. ~~The amount of the credit shall be considered an unpaid tax and shall be subject to collection by the county as a delinquent tax. The county shall issue a tax certificate under s. 74.57 against the property which shall be effective from the preceding August 15 county shall instruct the appropriate taxation district to collect the credit as a special charge on the next property tax bill issued for the property.~~

SECTION 6. 79.10 (11) of the statutes is created to read:

79.10 (11) LOTTERY CREDIT ESTIMATED FAIR MARKET VALUE. (a) For property taxes levied in 1991, the lottery credit estimated fair market value is \$8,200. For property taxes levied in 1992, the lottery credit estimated fair market value is \$9,150. For property taxes levied in 1993 and thereafter, the estimated fair market value shall be determined under par. (b).

(b) Before October 16, the department of administration shall determine the total funds available for distribution under the lottery credit in the following year and shall inform the joint committee on finance of that total. Total funds available for distribution shall be all existing and projected lottery proceeds and interest for the fiscal year of the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r) and 20.835 (2) (q) and (3) (r) and less the required reserve under s. 20.003 (5). The joint committee on finance may revise the total amount to be distributed if it does so at a meeting that takes place before November 1. If the joint committee on finance does not schedule a meeting to take place before November 1, the total determined by the department of administration shall be the total amount estimated to be distributed under the lottery credit in the following year.

(c) Before November 1, the department of administration shall inform the department of revenue of the total amount available for distribution under the lottery credit in the following year. Before December 1, the department of revenue shall calculate, to the nearest \$100, the estimated fair market value necessary to distribute the total amount available for distribution under the lottery credit in the following year.

SECTION 7. 79.11 (3) of the statutes is renumbered 79.11 (3) (a).

SECTION 8. 79.11 (3) (b) of the statutes is created to read:

79.11 (3) (b) Notwithstanding ss. 74.11 (2) (b) and 74.12 (2) (b), the lottery credit shall be deducted in its entirety from the first instalment. This paragraph does not apply to the payment of taxes in instalments under s. 74.87.

SECTION 9. 565.02 (7) of the statutes is created to read:

565.02 (7) Not later than March 1 of each year, the commission shall submit to the joint committee on finance a report that includes an estimate for that fiscal

year and for the subsequent fiscal year of the gross revenues from the sale of lottery tickets and lottery shares, the total amount paid as prizes and the prize payout ratio for each type of lottery game offered. If, within 14 working days after the date on which the committee receives the report, the cochairpersons of the committee notify the commission that the committee has scheduled a meeting for the purpose of reviewing the commission's proposed prize payouts, the commission may proceed with its plans for the prize payouts for the subsequent fiscal year only upon approval of the plans by the committee. If the cochairpersons of the committee do not notify the commission within 14 working days after the date on which the committee receives the report that the committee has scheduled a meeting for the purpose of reviewing the commission's proposed prize payouts, the commission's plans for the prize payouts for the subsequent fiscal year are considered approved by the committee.

SECTION 10. Nonstatutory provisions. (1) Notwithstanding section 66.058 (3) (c) (intro.) of the statutes, for monthly parking permit fees payable in 1992, an owner of a mobile home subject to a monthly parking permit fee may file a claim for a lottery credit no later than July 31, 1992.

(2) For property taxes levied in 1991, the amount determined under section 79.10 (5) of the statutes with respect to claims filed for which the town, village, city or county has furnished notice under section 79.10 (1m) of the statutes before August 15, 1992, excluding claims reported under section 79.10 (7m) (b) 1. a. of the statutes, shall be distributed from the appropriation under section 20.835 (3) (q) of the statutes by the department of administration on September 4, 1992.

(3) Notwithstanding the treatment of section 79.10 (10) (a) of the statutes by 1991 Wisconsin Act 225, for property taxes levied in 1991, an owner of a principal dwelling on a parcel of property that is classified as residential or agricultural on the assessment roll under section 70.32 (2) of the statutes who is entitled to receive a lottery credit under section 79.10 (9) (bm) of the statutes and who claims one shall, in the place indicated on the owner's property tax bill or on a form prescribed by the department of revenue, attest that the property for which the tax bill is issued is the owner's principal dwelling. The owner shall pay the net amount due after deducting the amount of the allowable credits as provided on the tax bill.

(4) Notwithstanding the treatment of section 79.10 (10) (b) of the statutes by 1991 Wisconsin Act 225, for property taxes levied in 1991, an owner of a principal dwelling on a parcel of property that is not classified as residential or agricultural on the assessment roll under section 70.32 (2) of the statutes who is entitled to receive a lottery credit under section 79.10 (9) (bm) of the statutes shall file a claim for the credit with the treasurer of the municipality in which the property is located no later

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than July 31, 1992. The owner shall attest on the claim that the property for which the claim is made is the owner's principal dwelling. The treasurer shall reduce the owner's tax liability by the amount of the allowable credit. The treasurer shall furnish notice of all claims for credits filed under this subsection to the department of revenue as provided under section 79.10 (1m) of the statutes.

SECTION 11. Initial applicability. (1) The treatment of sections 79.10 (10) (d) and 79.11 (3) of the statutes and

the creation of section 79.11 (3) (b) of the statutes first apply to property taxes levied in 1991.

(2) The treatment of section 79.10 (7m) (b) 1. a. of the statutes first applies to property taxes levied in 1993.

SECTION 12. Effective dates. This act takes effect on the day after publication, except as follows:

(1) The treatment of section 565.02 (7) of the statutes takes effect on October 1, 1992.

(2) The treatment of section 79.10 (7m) (b) 1. a. of the statutes takes effect on November 1, 1993.
