



**SENATE AMENDMENT 63,
TO 1995 ASSEMBLY BILL 150**

June 27, 1995 - Offered by Senator WINEKE.

1 At the locations indicated, amend the engrossed bill as follows:

2 **1.** Page 1187, line 5: delete lines 5 to 12 and substitute:

3 **“74.48 Penalty for change in use. (1)** Except as provided in sub. (1m), if land
4 that has been assessed under s. 70.32 (2r) while owned by the seller is sold and is no
5 longer used as agricultural land, as defined in s. 70.32 (2) (c) 1., there is imposed on
6 the seller a penalty, which shall be calculated as follows:

7 (a) Multiply the number of acres previously subject to assessment under s.
8 70.32 (2r) that are included in the sale by the per-acre value guidelines for the
9 category of agricultural land to which the land that is sold belongs, as determined
10 by the department of revenue under s. 73.03 (2a) for the year that the property was
11 last subject to assessment under s. 70.32 (2r).

12 (b) Divide the assessed value of the improvements sold for the most recent year
13 before the sale by the average level of assessment in the taxation district, as shown
14 on the property tax bill under s. 74.09.

15 (c) Subtract the amount under par. (b) from the sales price, as shown on the
16 return under s. 77.22.

1 (d) Subtract the amount under par. (a) from the amount under par. (c).

2 (e) If the amount under par. (d) is a positive number, multiply that amount by
3 0.02 if the land was assessed under s. 70.32 (2r) for one year after acquisition by the
4 seller, by 0.04 if the land was assessed under s. 70.32 (2r) for 2 years after acquisition
5 by the seller, by 0.06 if the land was assessed under s. 70.32 (2r) for 3 years after
6 acquisition by the seller, by 0.08 if the land was assessed under s. 70.32 (2r) for 4
7 years after acquisition by the seller, by 0.1 if the land was assessed under s. 70.32
8 (2r) for at least 5 years after acquisition by the seller by 0.12 if the land was assessed
9 under s. 70.32 (2r) for 6 years after acquisition by the seller, by 0.14 if the land was
10 assessed under s. 70.32 (2r) for 7 years after acquisition by the seller, by 0.16 if the
11 land was assessed under s. 70.32 (2r) for 8 years after acquisition by the seller, by 0.18
12 if the land was assessed under s. 70.32 (2r) for 9 years after acquisition by the seller
13 and by 0.2 if the land was assessed under s. 70.32 (2r) for at least 10 years after
14 acquisition by the seller.

15 **(1m)** The penalty under sub. (1) does not apply if the seller sells the land to a
16 lineal descendent of the seller.

17 **(1r)** If the seller has owned the property less than 5 years and acquired the
18 property from a seller who was exempt under sub. (1m) from the penalty under sub.
19 (1), the penalty is calculated as if the current seller were the previous owner.

20 **(2)** Any person who is subject to the penalty under sub. (1) shall complete and
21 submit to the department of revenue, along with the payment under sub. (3), a form
22 prescribed by that department.

23 **(3)** Any amount due under sub. (1) shall be paid to the department of revenue
24 along with the next payment of taxes under ch. 71 by the person who owes the
25 penalty. If taxes under ch. 71 on the gain on the sale that results in the penalty may

1 be paid in instalments, the person who owes the penalty may pay it in the same
2 number of instalments.

3 (4) Sections 71.82 (1) (a) and (2) (a) and 71.83 (1) (a) 1. and 2. and (b) 1. and 2.,
4 as they apply to the taxes under ch. 71, apply to the penalty and form under this
5 section.

6 (5) If the department of revenue believes that a sale was made at a price below
7 market value and if the land is resold shortly thereafter, the department may adjust
8 the amount under sub. (1) (c) to reflect the land's market value.

9 (6) The department of revenue shall administer the penalty under this
10 section.”.

11

(END)