

1999 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB133)

Received: **06/23/99**

Received By: **jkreye**

Wanted: **Soon**

Identical to LRB:

For: **Assembly Republican Caucus**

By/Representing: **Kratochwill**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Alt. Drafters:

Subject: **Tax Credits (prop) - lottery
Gambling - lottery**

Extra Copies:

Pre Topic:

ARC:.....Kratochwill - Tax #8,

Topic:

Only lottery prizes and tax relief to homeowners to be paid from lottery and gaming proceeds

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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13 6/26/99 jlg

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1?	jkreye	11/6/25 jlg	CH 6/25	CH 6/25 JK			

FE Sent For:

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Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 22, 1999

TO: Representative Scott Jensen
Room 211 West, State Capitol

FROM: Rick Olin, Fiscal Analyst

SUBJECT: Proposal to Increase the Lottery and Gaming Credit for Homeowners

At your request, this memorandum describes a proposal to increase the lottery and gaming credit for homeowners by changing the funding source for certain appropriations currently funded with lottery and gaming proceeds. Also, the proposal would increase funding for the farmland tax relief credit.

Under current law and provisions included in SB 114, as adopted by the Senate, lottery and gaming proceeds are used to fund prizes, basic retailer compensation, vendor payments, general program operations, appropriations for the Departments of Justice and Administration, farmland tax relief credits and lottery and gaming property tax credits. The amount available for lottery and gaming tax credits is a residual amount that is determined after revenues have been committed to the other expenditure items. The following table reports estimated expenditures for the preceding items during the 1999-01 biennium.

ga

Estimated Lottery Fund Expenditures, 1999-01

	<u>1999-00</u>	<u>2000-01</u>
Prizes	\$239,736,200	\$244,368,500
Basic Retailer Compensation	27,927,600	30,573,800
Vendor Payments	12,178,700	12,419,000
General Program Operations	21,095,800	21,095,800
Appropriation to DOJ	226,000	226,700
Appropriation to DOR	43,300	33,500
Farmland Tax Relief Credit	15,000,000	15,000,000
Lottery and Gaming Credit	<u>112,437,000</u>	<u>105,723,100</u>
 Total Expenditures and Appropriations	 \$428,644,600	 \$429,440,400

Under the proposal, lottery and gaming proceeds would continue to fund prizes and the lottery and gaming credit for homeowners. The other items would be funded with general program revenues (GPR) during the 1999-01 biennium. This would have the effect of increasing GPR expenditures by an estimated \$76,471,400 in 1999-00 and \$79,348,800 in 2000-01. The appropriation for the lottery and gaming tax credit would increase by identical amounts and would be estimated at \$188,908,400 in 1999-00 and \$185,071,900 in 2000-01. The estimated, statewide average tax credit would increase from \$90 to \$151 in 1999-00 and from \$85 to \$148 in 2000-01. The following table provides a comparison of the estimated property tax bills on a median-valued home taxed at statewide average tax rates for 1998(99) through 2000(01).

**Estimated Property Tax Bills on a Median-Valued Home
Taxed at Statewide Average Tax Rates**

	<u>1998(99)</u>	<u>Current Funding</u>		<u>Proposed Funding</u>	
		<u>1999(00)</u>	<u>2000(01)</u>	<u>1999(00)</u>	<u>2000(01)</u>
Home Value	\$97,014	\$102,495	\$108,286	\$102,495	\$108,286
Gross Taxes	\$2,325	\$2,398	\$2,488	\$2,398	\$2,488
School Levy Credit	-183	-182	-179	-182	-179
Lottery & Gaming Credit	<u>-52</u>	<u>-90</u>	<u>-85</u>	<u>-151</u>	<u>-148</u>
Net Property Tax Bill	\$2,090	\$2,126	\$2,224	\$2,065	\$2,161
 Change from Prior Year					
Amount		\$36	\$98	-\$25	\$96
Percent		1.7%	4.6%	-1.2%	4.6%
 Change from Current Funding					
Amount				-\$61	-\$63
Percent				-2.9%	-2.8%

The proposal would fund farmland tax relief credits with GPR. In addition, the proposal would increase funding for the credits by \$5.0 million annually in the 1999-0 biennium. Under current law, the farmland tax relief credit equals 10% of up to \$10,000 in property taxes on agricultural land and is capped at \$1,000 per recipient. Credit expenditures are estimated at \$10.6 million in 1999-00 and \$10.0 million in 2000-01. Under provisions in SB 114, as adopted by the Senate, funding for the credit would be set at \$15 million annually, and the percentage reimbursement rate would change each year to expend the available funding. A credit rate of about 15% is estimated. The proposal would increase funding for the credit by an additional \$5.0 million, to \$20.0 million, which would result in a credit rate of about 20%. The maximum credit would be increased to \$2,000. Based on an estimated 57,600 credit recipients, the following table compares average credits and total funding under the three preceding scenarios.

Farmland Tax Relief Credits

	<u>Current Law</u>	<u>SB 114</u>	<u>Proposal</u>
Total Credits	\$10,600,000	\$15,000,000	\$20,000,000
Average Tax Credit	\$184	\$260	\$347
Change to Current Law			
Amount		\$76	\$163
Percent		41.3%	88.6%
Change to SB 114			
Amount			\$87
Percent			33.5%

If you have any questions on this information, please let me know.

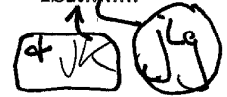
RO/sas



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1145/1

ISR:.....



ARC:.....Kratochwill - Tax #8, Only lottery prizes and tax relief to homeowners to be paid from lottery and gaming proceeds

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

500N

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 219, line 13: after that line insert:

\$sched

3 "(fm) Gaming law enforcement ✓ GPR A 226,000 226,700" ^{MOVE}

4 2. Page 221, line ~~2~~⁵: decrease the dollar amount for fiscal year 1999-00 by
5 \$226,000 and decrease the dollar amount for fiscal year 2000-01 by \$226,700 for the
6 purpose of reducing funding for gaming enforcement. ✓

7 3. Page 255, line 8: after that line insert:

1 **\$ Sched**

(a)	General program operations	GPR	A		
(b)	Retailer compensation	GPR	S	21,095,800	21,095,800
(c)	Vendor fees	GPR	S	12,178,700	12,419,000

2 (b)

3 4. Page 255, line 9: decrease the dollar amount for fiscal year 1999-00 by
 4 \$21,095,800 and decrease the dollar amount for fiscal year 2000-01 by \$21,095,800
 5 for the purpose of decreasing the funding for general program operations for the
 6 lottery. **Insert 2-5**

7 5. Page 366, line 3: after that line insert:
 8 "SECTION 481d. 20.455 (2) (fm) of the statutes is created to read:
 9 20.455 (2) (fm) *Gaming law enforcement*. The amounts in the schedule for the
 10 performance of the department's gaming law enforcement responsibilities as
 11 specified in s. 165.70 (3m). No moneys may be encumbered or expended from this
 12 appropriation after the effective date of the 2001-2003 biennial budget act."

13 6. Page 367, line 25: after that line insert:
 14 "SECTION 490g. 20.455 (2) (r) of the statutes is amended to read:
 15 20.455 (2) (r) *Gaming law enforcement; lottery revenues*. From the lottery fund,
 16 the amounts in the schedule for the performance of the department's gaming law
 17 enforcement responsibilities as specified in s. 165.70 (3m). No moneys may be
 18 encumbered or expended from this appropriation during the 1999-2001 fiscal
 19 biennium."

History: 1971 c. 125; 1973 c. 90, 336; 1975 c. 39 s. 732 (1); 1975 c. 224; 1977 c. 29, 418; 1979 c. 34 ss. 286m, 290, 523 to 526; 1979 c. 189, 219, 355; 1981 c. 20, 169; 1983 a. 27 ss. 427 to 430, 1800; 1983 a. 199, 523; 1985 a. 29, 120; 1987 a. 27, 326, 399; 1989 a. 31, 122, 336; 1991 a. 11, 39, 269; 1993 a. 16, 98, 193, 460, 496; 1995 a. 27 ss. 1014h to 1029, 9126 (19), 9130 (4); 1995 a. 227; 1997 a. 27, 237.

20 7. Page 391, line 25: after that line insert:
 21 "SECTION 596q. 20.566 (8) (a) of the statutes is created to read:

1 20.566 (8) (a) *General program operations*. The amounts in the schedule for
2 general program operations under ch. 565. No moneys may be encumbered or
3 expended after the effective date of the 2001-~~03~~ biennial budget act.

4 **SECTION 596r.** 20.566 (8) (b) of the statutes is created to read:

5 20.566 (8) (b) *Retailer compensation*. A sum sufficient to pay compensation to
6 retailers under s. 565.10 (14) (b). No moneys may be encumbered or expended after
7 the effective date of the 2001-~~03~~ biennial budget act.

8 **SECTION 596s.** 20.566 (8) (c) of the statutes is created to read:

9 20.566 (8) (c) *Vendor fees*. A sum sufficient to pay vendors for on-line and
10 instant ticket services and supplies provided by the vendors under contract under
11 s. 565.25 (2) (a). No moneys may be encumbered or expended after the effective date
12 of the 2001-~~03~~ biennial budget act.”.

13 **8.** Page 392, line 6: delete “(kg).” and substitute “(kg). No moneys may be
14 encumbered or expended from this appropriation during the 1999-²⁰01 fiscal
15 biennium”.

plain period

16 **9.** Page 392, line 6: after that line insert:

17 “**SECTION 597c.** 20.566 (8) (r) of the statutes is amended to read:

18 20.566 (8) (r) *Retailer compensation*. From the lottery fund, a sum sufficient
19 to pay compensation to retailers under s. 565.10 (14) (b). No moneys may be
20 encumbered or expended from this appropriation during the 1999-²⁰01 fiscal
21 biennium.

History: 1971 c. 108 ss. 2, 3, 6; 1971 c. 125 ss. 164, 173, 174, 175, 176; 1971 c. 211, 215; 1973 c. 90; 1975 c. 39 ss. 201, 732 (1); 1977 c. 29, 31, 418; 1979 c. 34 ss. 610m to 617, 2102 (46) (c); 1979 c. 63 ss. 3, 6; 1979 c. 177, 221; 1981 c. 20; 1981 c. 86 ss. 7, 71; 1981 c. 328 s. 4; 1983 a. 27 ss. 469 to 477; 1983 a. 368; 1983 a. 410 s. 2202 (38); 1985 a. 29 ss. 536 to 537r, 3202 (39) (a), (46) (c), (i); 1985 a. 41, 120; 1987 a. 27 ss. 444 to 458, 3200 (47); 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31, 335; 1991 a. 39, 259, 269; 1993 a. 16, 205, 263, 490; 1995 a. 27 ss. 546h to 546t, 1111m to 1119r; 1995 a. 56, 227, 351; 1997 a. 27, 35, 41, 63, 148, 237, 252.

22 **SECTION 597f.** 20.566 (8) (v) of the statutes is amended to read:

INSERT 4-4 ✓

1 20.566 (8) (v) *Vendor fees*. From the lottery fund, a sum sufficient to pay
2 vendors for on-line and instant ticket services and supplies provided by the vendors
3 under contract under s. 565.25 (2) (a). No moneys may be encumbered or expended
4 from this appropriation during the 1999-01 fiscal biennium."

History: 1971 c. 108 ss. 2, 3, 6; 1971 c. 125 ss. 164, 173, 174, 175, 176; 1971 c. 211, 215; 1973 c. 90; 1975 c. 39 ss. 201, 732 (1); 1977 c. 29, 31, 418; 1979 c. 34 ss. 610m to 617, 2102 (46) (c); 1979 c. 63 ss. 3, 6; 1979 c. 177, 221; 1981 c. 20; 1981 c. 86 ss. 7, 71; 1981 c. 328 s. 4; 1983 a. 27 ss. 469 to 477; 1983 a. 368; 1983 a. 410 s. 2202 (38); 1985 a. 29 ss. 536 to 537r, 3202 (39) (a), (46) (c), (i); 1985 a. 41, 120; 1987 a. 27 ss. 444 to 458, 3200 (47); 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31, 335; 1991 a. 39, 259, 269; 1993 a. 16, 205, 263, 490; 1995 a. 27 ss. 546h to 546t, 1111mm to 1119r; 1995 a. 56, 227, 351; 1997 a. 27, 35, 41, 63, 148, 237, 252.

5 **10.** Page 470, line 14: after that line insert:

6 **SECTION 717xa.** 25.75 (1) (b) of the statutes is amended to read:

7 25.75 (1) (b) "Gross lottery revenues" means gross revenues from the sale of
8 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
9 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,
10 paid to retailers under s. 565.10 (14), regardless of whether the compensation is
11 deducted by the retailer prior to transmitting lottery ticket and lottery share
12 revenues to the commission.

History: 1987 a. 119, 399; 1989 a. 31, 336; 1991 a. 39, 225, 269; 1993 a. 119, 1995 a. 27; 1997 a. 27.

13 **SECTION 717xb.** 25.75 (1) (b) of the statutes, as affected by 1999 Wisconsin Act
14 (this act), is repealed and recreated to read:

15 25.75 (1) (b) "Gross lottery revenues" means gross revenues from the sale of
16 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
17 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,
18 paid to retailers under s. 565.10 (14), regardless of whether the compensation is
19 deducted by the retailer prior to transmitting lottery ticket and lottery share
20 revenues to the commission.

21 **SECTION 717xf.** 25.75 (1) (c) 3. of the statutes is repealed.

22 **SECTION 717xg.** 25.75 (1) (c) 3. of the statutes is created to read:

1 25.75 (1) (c) 3. Amounts for other expenses including compensation paid to
2 retailers under s. 565.10 (14) and amounts paid to vendors for on-line services and
3 supplies provided by the vendors under contract under s. 565.25 (2) (a).

History: 1987 a. 119, 399; 1989 a. 31, 336; 1991 a. 39, 225, 269; 1993 a. 19, 1995 a. 27; 1997 a. 27.

4 SECTION 717xi. 25.75 (3) (b) of the statutes is repealed.

③ → 717xj

5 SECTION 25.75 (3) (b) of the statutes is created to read:

6 25.75 (3) (b) *Expenses*. Beginning July 1, 2001, no more than an amount equal
7 to 10% of gross lottery revenues for each year may be expended to pay the expenses
8 for the operation and administration of the lottery, except that expenses for the
9 operation and administration of the lottery may exceed 10% of gross lottery revenues
10 if so approved by the joint committee on finance under s. 13.10. In computing
11 expenses subject to the 10% limitation under this paragraph:

- 12 1. Compensation paid to retailers under s. 565.10 (14) shall not be included.
- 13 2. Capital expenditures may be amortized.
- 14 3. Payments to vendors for on-line services and supplies provided by the
15 vendors under contract under s. 565.25 (2) (a) shall be included.
- 16 4. Moneys appropriated from the lottery fund under s. 20.455 (2) (r) shall not
17 be included."

18 11. Page 1402, line 19: after that line insert:

19 "SECTION 3025w. 565.45 of the statutes is amended to read:

20 565.45 Report on expense limitation. Before January 1, 1992 2002, and
21 every 2 years thereafter, the department shall submit a report to the chief clerk of
22 each house of the legislature, for distribution to the legislature under s. 13.172 (2),

INSERT S-17 ✓

1 on the effects on the operation of the lottery of the 10% expense limitation under s.
2 25.75 (3) (b)."

History: 1987 a. 119; 1991 a. 269; 1995 a. 27; 1997 a. 27.

3 **12.** Page 1600, line 20: after that line insert:

History: 1987 a. 119, 309; 1989 a. 31, 336; 1991 a. 39, 225, 269; 1993 a. 16; 1995 a. 27; 1997 a. 27.

4 ^{eff} ^{date} (24) LOTTERY FUND. The repeal and recreation of section 25.75 (1) (b) of the
5 statutes ~~as affected by 1999 Wisconsin Act ... (this act)~~ and the creation of section
6 25.75 (1) (c) 3 ^{and (3)(b)} of the statutes takes effect on the effective date of the 2001-~~03~~
7 biennial budget act. "

(END)

✓
, 71.07(3m)(b) 1. a.,
✓ 71.28(2m)(b) 1. a.,
✓ 71.47(2m)(b) 1. a. and
✓ 79.10(11)(b)

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1145/lins
JK:.....

Insert 2 - 5

1 **1.** Page 265, line 3: after that line insert:

2 “(dn) Farmland tax relief credit[✓] GPR Σ 20,200,000 18,800,000

Insert 4 - 4

3 **2.** Page 395, line 4: after that line insert:

4 “**SECTION 606t.**[✓] 20.835 (2) (dn)^X of the statutes is created to read:

5 20.835 (2) (dn) *Farmland tax relief credit*. A sum sufficient to pay the aggregate
6 claims approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c). No moneys
7 may be encumbered or expended from this appropriation after the effective date of
8 the 2001-~~2003~~⁰³ biennial budget act.”

9 **3.** Page 395, line 19: after that line insert:

10 “**SECTION 612p.**[✓] 20.835 (2) (q)^X of the statutes is amended to read:

11 20.835 (2) (q) *Farmland tax relief credit*. From the lottery fund, a sum
12 sufficient to pay the aggregate claims approved under ss. 71.07 (3m) (c), 71.28 (2m)
13 (c) and 71.47 (2m) (c). No moneys may be encumbered or expended from this
14 appropriation during the 1999-2001[✓] fiscal biennium.”

Insert 5 - 17

15 **4.** Page 849, line 7: after that line insert:

16 “**SECTION 1710db.**[✓] 71.07 (3m) (b) 1. a.^X of the statutes is amended to read:

17 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and
18 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
19 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
20 claim exceeds the income taxes otherwise due on the claimant's income or if there are

1 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
2 used as an offset against income taxes shall be certified to the department of
3 administration for payment to the claimant by check, share draft or other draft paid
4 from the appropriation under s. 20.835 (2) ~~(e)~~ (dn).[✓]

5 **SECTION 1710dc.** 71.07 (3m) (b) 1. a. [✓] of the statutes, as affected by 1999
6 Wisconsin Act (this act), is repealed and recreated to read:

7 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and
8 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
9 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
10 claim exceeds the income taxes otherwise due on the claimant's income or if there are
11 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
12 used as an offset against income taxes shall be certified to the department of
13 administration for payment to the claimant by check, share draft or other draft paid
14 from the appropriation under s. 20.835 (2) [✓](q).".

15 **5.** Page 913, line 7: after that line insert:

16 "**SECTION 1744bd.** [✓] 71.28 (2m) (b) 1. a. [✓] of the statutes is amended to read:

17 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
18 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
19 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
20 amount of claim exceeds the income or franchise taxes otherwise due on or measured
21 by the claimant's income or if there are no Wisconsin income or franchise taxes due
22 on or measured by the claimant's income, the amount of the claim not used as an
23 offset against income or franchise taxes shall be certified to the department of

1 administration for payment to the claimant by check, share draft or other draft paid
2 from the appropriation under s. 20.835 (2) (q) [✓](dn).

3 SECTION 1744be. 71.28 (2m) (b) 1. a. [✓]of the statutes, as affected by 1999
4 Wisconsin Act (this act), is repealed and recreated to read:

5 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
6 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
7 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
8 claim exceeds the income taxes otherwise due on the claimant's income or if there are
9 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
10 used as an offset against income taxes shall be certified to the department of
11 administration for payment to the claimant by check, share draft or other draft paid
12 from the appropriation under s. 20.835 (2) [✓](q).”.

13 6. Page 943, line 22: after that line insert:

14 “SECTION 1757bd. [✓]71.47 (2m) (b) 1. a. [✓]of the statutes is amended to read:

15 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
16 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
17 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
18 amount of claim exceeds the income or franchise taxes otherwise due on or measured
19 by the claimant's income or if there are no Wisconsin income or franchise taxes due
20 on or measured by the claimant's income, the amount of the claim not used as an
21 offset against income or franchise taxes shall be certified to the department of
22 administration for payment to the claimant by check, share draft or other draft paid
23 from the appropriation under s. 20.835 (2) (q) [✓](dn).

1 **SECTION 1757be.** 71.47 (2m) (b) 1. a. [✓] of the statutes, as affected by 1999
2 Wisconsin Act (this act), is repealed and recreated to read:

3 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
4 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
5 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
6 claim exceeds the income taxes otherwise due on the claimant's income or if there are
7 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
8 used as an offset against income taxes shall be certified to the department of
9 administration for payment to the claimant by check, share draft or other draft paid
10 from the appropriation under s. 20.835 (2) [✓](q).".

11 **7.** Page 958, line 14: after that line insert:

12 **"SECTION 1818Lb.** [✓] 79.10 (11) (b) [✓] of the statutes is amended to read:

13 79.10 (11) (b) Before October 16, the department of administration shall
14 determine the total funds available for distribution under the lottery credit in the
15 following year and shall inform the joint committee on finance of that total. Total
16 funds available for distribution shall be all existing and projected lottery proceeds
17 and interest for the fiscal year of the distribution, less the amount estimated to be
18 expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) ~~(q)~~ [✓](dn) and less the
19 required reserve under s. 20.003 (5). The joint committee on finance may revise the
20 total amount to be distributed if it does so at a meeting that takes place before
21 November 1. If the joint committee on finance does not schedule a meeting to take
22 place before November 1, the total determined by the department of administration
23 shall be the total amount estimated to be distributed under the lottery credit in the
24 following year.

1 **SECTION 1818Lb.** ^x79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin
2 Act (this act), is repealed and recreated to read:

3 79.10 (11) (b) Before October 16, the department of administration shall
4 determine the total funds available for distribution under the lottery credit in the
5 following year and shall inform the joint committee on finance of that total. Total
6 funds available for distribution shall be all existing and projected lottery proceeds
7 and interest for the fiscal year of the distribution, less the amount estimated to be
8 expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) (q) and less the
9 required reserve under s. 20.003 (5). The joint committee on finance may revise the
10 total amount to be distributed if it does so at a meeting that takes place before
11 November 1. If the joint committee on finance does not schedule a meeting to take
12 place before November 1, the total determined by the department of administration
13 shall be the total amount estimated to be distributed under the lottery credit in the
14 following year.”

-6/1/15

- Per Art Zimmerman

* Make DOR lottery credit appropriation GPR
as well

- no positions

* DOR has 110.5 positions for general
program operations

- Per Rick Olson

~~lottery credit~~
- no positions for adm

- Per Debbie Salm

- DOJ appropriation (2)(r) or 2.75
positions



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1145/1
ISR&JK:jlg:ch

2
RMR

ARC:.....Kratochwill - Tax #8, Only lottery prizes and tax relief to homeowners to be paid from lottery and gaming proceeds

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 133

Done
Today

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 219, line 13: after that line insert:

3 "(fm) Gaming law enforcement GPR A 226,000 226,700".

4 2. Page 221, line 5: decrease the dollar amount for fiscal year 1999-00 by
5 \$226,000 and decrease the dollar amount for fiscal year 2000-01 by \$226,700 for the
6 purpose of reducing funding for gaming enforcement.

7 Insert 1-6
3. Page 255, line 8: after that line insert:

to decrease the number of authorized FTE positions by 2.75 ~~SE~~ positions and

1	"(a) General program operations	GPR	A	21,095,800	21,095,800
2	(b) Retailer compensation	GPR	S	27,927,800	30,573,800
3	(c) Vendor fees	GPR	S	12,178,700	12,419,000

4
5 **4.** Page 255, line 9: decrease the dollar amount for fiscal year 1999-00 by
6 \$21,095,800 and decrease the dollar amount for fiscal year 2000-01 by \$21,095,800
7 for the purpose of decreasing the funding for general program operations for the
8 lottery.

✓ to decrease the authorized FTE positions by 110.5 SE positions and

9 **5.** Page 265, line 3: after that line insert:

10 "(dn) Farmland tax relief credit GPR S 20,200,000 18,800,000

11 " .

12 **6.** Page 366, line 3: after that line insert:

13 "SECTION 481d. 20.455 (2) (fm) of the statutes is created to read:

14 20.455 (2) (fm) *Gaming law enforcement.* The amounts in the schedule for the
15 performance of the department's gaming law enforcement responsibilities as
16 specified in s. 165.70 (3m). No moneys may be encumbered or expended from this
17 appropriation ^{account} after the ~~effective date~~ ^{day of publication} of the 2001-03 biennial budget act."

18 **7.** Page 367, line 25: after that line insert:

19 "SECTION 490g. 20.455 (2) (r) of the statutes is amended to read:

20 20.455 (2) (r) *Gaming law enforcement; lottery revenues.* From the lottery fund,
21 the amounts in the schedule for the performance of the department's gaming law
22 enforcement responsibilities as specified in s. 165.70 (3m). No moneys may be

1 encumbered or expended from this appropriation ^{✓ account} during the 1999–2001 fiscal
2 biennium.”

3 **8.** Page 391, line 25: after that line insert:

4 “SECTION 596q. 20.566 (8) (a) of the statutes is created to read:

5 20.566 (8) (a) *General program operations.* The amounts in the schedule for
6 general program operations under ch. 565. ~~No moneys may be encumbered or~~
7 ~~expended after the effective date~~ ^{from this appropriation account ✓} of the 2001–03 biennial budget act.

8 **SECTION 596r.** 20.566 (8) (b) of the statutes is created to read:

9 20.566 (8) (b) *Retailer compensation.* A sum sufficient to pay compensation to
10 retailers under s. 565.10 (14) (b). ~~No moneys may be encumbered or expended after~~
11 ~~the effective date of the 2001–03 biennial budget act.~~ ^{day of publication}

12 **SECTION 596s.** 20.566 (8) (c) of the statutes is created to read:

13 20.566 (8) (c) *Vendor fees.* A sum sufficient to pay vendors for on–line and
14 instant ticket services and supplies provided by the vendors under contract under
15 s. 565.25 (2) (a). ~~No moneys may be encumbered or expended after the effective date~~ ^{from this appropriation account}
16 ~~of the 2001–03 biennial budget act.”~~ ^{day of publication}

17 **9.** Page 392, line 6: delete “(kg).” and substitute “(kg). No moneys may be
18 encumbered or expended from this appropriation ^{account ✓} during the 1999–2001 fiscal
19 biennium.”

20 **10.** Page 392, line 6: after that line insert:

21 “SECTION 597c. 20.566 (8) (r) of the statutes is amended to read:

22 20.566 (8) (r) *Retailer compensation.* From the lottery fund, a sum sufficient
23 to pay compensation to retailers under s. 565.10 (14) (b). No moneys may be

1 encumbered or expended from this appropriation ^{✓ account} during the 1999–2001 fiscal
2 biennium.

3 **SECTION 597f.** 20.566 (8) (v) of the statutes is amended to read:

4 20.566 (8) (v) *Vendor fees.* From the lottery fund, a sum sufficient to pay
5 vendors for on–line and instant ticket services and supplies provided by the vendors
6 under contract under s. 565.25 (2) (a). No moneys may be encumbered or expended
7 from this appropriation ^{✓ account} during the 1999–2001 fiscal biennium.”.

8 **11.** Page 395, line 4: after that line insert:

9 “**SECTION 606t.** 20.835 (2) (dn) of the statutes is created to read:

10 20.835 (2) (dn) *Farmland tax relief credit.* A sum sufficient to pay the aggregate
11 claims approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c). No moneys
12 may be encumbered or expended from this appropriation after the effective date of ^{day of publication}
13 the 2001–03 biennial budget act.”.

14 **12.** Page 395, line 19: after that line insert:

15 “**SECTION 612p.** 20.835 (2) (q) of the statutes is amended to read:

16 20.835 (2) (q) *Farmland tax relief credit.* From the lottery fund, a sum
17 sufficient to pay the aggregate claims approved under ss. 71.07 (3m) (c), 71.28 (2m)
18 (c) and 71.47 (2m) (c). No moneys may be encumbered or expended from this
19 appropriation ^{✓ account} during the 1999–2001 fiscal biennium.”.

20 **13.** Page 470, line 14: after that line insert:

21 “**SECTION 717xa.** 25.75 (1) (b) of the statutes is amended to read:

22 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of
23 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
24 fees, if any, under s. 565.10 (8) ~~and includes compensation, including bonuses, if any,~~

1 ~~paid to retailers under s. 565.10 (14), regardless of whether the compensation is~~
2 ~~deducted by the retailer prior to transmitting lottery ticket and lottery share~~
3 ~~revenues to the commission.~~

4 **SECTION 717xb.** 25.75 (1) (b) of the statutes, as affected by 1999 Wisconsin Act
5 ... (this act), is repealed and recreated to read:

6 25.75 (1) (b) "Gross lottery revenues" means gross revenues from the sale of
7 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
8 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,
9 paid to retailers under s. 565.10 (14), regardless of whether the compensation is
10 deducted by the retailer prior to transmitting lottery ticket and lottery share
11 revenues to the commission.

12 **SECTION 717xf.** 25.75 (1) (c) 3. of the statutes is repealed.

13 **SECTION 717xg.** 25.75 (1) (c) 3. of the statutes is created to read:

14 25.75 (1) (c) 3. Amounts for other expenses including compensation paid to
15 retailers under s. 565.10 (14) and amounts paid to vendors for on-line services and
16 supplies provided by the vendors under contract under s. 565.25 (2) (a).

17 **SECTION 717xi.** 25.75 (3) (b) of the statutes is repealed.

18 **SECTION 717xj.** 25.75 (3) (b) of the statutes is created to read:

19 **25.75 (3) (b) Expenses.** ~~Beginning July 1, 2001,~~ no more than an amount equal
20 to 10% of gross lottery revenues for each year may be expended to pay the expenses
21 for the operation and administration of the lottery, except that expenses for the
22 operation and administration of the lottery may exceed 10% of gross lottery revenues
23 if so approved by the joint committee on finance under s. 13.10. In computing
24 expenses subject to the 10% limitation under this paragraph:

25 1. Compensation paid to retailers under s. 565.10 (14) shall not be included.

1 2. Capital expenditures may be amortized.

2 3. Payments to vendors for on-line services and supplies provided by the
3 vendors under contract under s. 565.25 (2) (a) shall be included.

4 4. Moneys appropriated from the lottery fund under s. 20.455 (2) (r) shall not
5 be included. ²⁹

→ Insert 6-5 ✓

6 **14.** Page 849, line 7: after that line insert:

7 “**SECTION 1710db.** 71.07 (3m) (b) 1. a. of the statutes is amended to read:

8 71.07 (**3m**) (b) 1. a. Subject to the limitations provided in this subsection and
9 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
10 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
11 claim exceeds the income taxes otherwise due on the claimant's income or if there are
12 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
13 used as an offset against income taxes shall be certified to the department of
14 administration for payment to the claimant by check, share draft or other draft paid
15 from the appropriation under s. 20.835 (2) (~~eq~~) (dn).

16 **SECTION 1710dc.** 71.07 (3m) (b) 1. a. of the statutes, as affected by 1999
17 Wisconsin Act (this act), is repealed and recreated to read:

18 71.07 (**3m**) (b) 1. a. Subject to the limitations provided in this subsection and
19 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
20 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
21 claim exceeds the income taxes otherwise due on the claimant's income or if there are
22 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
23 used as an offset against income taxes shall be certified to the department of

1 administration for payment to the claimant by check, share draft or other draft paid
2 from the appropriation under s. 20.835 (2) (q).”

3 **15.** Page 913, line 7: after that line insert:

4 “**SECTION 1744bd.** 71.28 (2m) (b) 1. a. of the statutes is amended to read:

5 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
6 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
7 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
8 amount of claim exceeds the income or franchise taxes otherwise due on or measured
9 by the claimant’s income or if there are no Wisconsin income or franchise taxes due
10 on or measured by the claimant’s income, the amount of the claim not used as an
11 offset against income or franchise taxes shall be certified to the department of
12 administration for payment to the claimant by check, share draft or other draft paid
13 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

14 **SECTION 1744be.** 71.28 (2m) (b) 1. a. of the statutes, as affected by 1999
15 Wisconsin Act ... (this act), is repealed and recreated to read:

16 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
17 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
18 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
19 claim exceeds the income taxes otherwise due on the claimant’s income or if there are
20 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not
21 used as an offset against income taxes shall be certified to the department of
22 administration for payment to the claimant by check, share draft or other draft paid
23 from the appropriation under s. 20.835 (2) (q).”

24 **16.** Page 943, line 22: after that line insert:

1 **“SECTION 1757bd.** 71.47 (2m) (b) 1. a. of the statutes is amended to read:

2 71.47 **(2m)** (b) 1. a. Subject to the limitations provided in this subsection and
3 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
4 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
5 amount of claim exceeds the income or franchise taxes otherwise due on or measured
6 by the claimant’s income or if there are no Wisconsin income or franchise taxes due
7 on or measured by the claimant’s income, the amount of the claim not used as an
8 offset against income or franchise taxes shall be certified to the department of
9 administration for payment to the claimant by check, share draft or other draft paid
10 from the appropriation under s. 20.835 (2) ~~(e)~~ **(dn)**.

11 **SECTION 1757be.** 71.47 (2m) (b) 1. a. of the statutes, as affected by 1999
12 Wisconsin Act ... (this act), is repealed and recreated to read:

13 71.47 **(2m)** (b) 1. a. Subject to the limitations provided in this subsection and
14 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
15 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
16 claim exceeds the income taxes otherwise due on the claimant’s income or if there are
17 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not
18 used as an offset against income taxes shall be certified to the department of
19 administration for payment to the claimant by check, share draft or other draft paid
20 from the appropriation under s. 20.835 (2) (q).”.

21 **17.** Page 958, line 14: after that line insert:

22 **“SECTION 1818Lb.** 79.10 (11) (b) of the statutes is amended to read:

23 79.10 **(11)** (b) Before October 16, the department of administration shall
24 determine the total funds available for distribution under the lottery credit in the

1 following year and shall inform the joint committee on finance of that total. Total
2 funds available for distribution shall be all existing and projected lottery proceeds
3 and interest for the fiscal year of the distribution, ~~less the amount estimated to be~~
4 ~~expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) (q) (du)~~ and less the
5 required reserve under s. 20.003 (5). The joint committee on finance may revise the
6 total amount to be distributed if it does so at a meeting that takes place before
7 November 1. If the joint committee on finance does not schedule a meeting to take
8 place before November 1, the total determined by the department of administration
9 shall be the total amount estimated to be distributed under the lottery credit in the
10 following year.

11 **SECTION 1818Lb.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin
12 Act ... (this act), is repealed and recreated to read:

13 79.10 (11) (b) Before October 16, the department of administration shall
14 determine the total funds available for distribution under the lottery credit in the
15 following year and shall inform the joint committee on finance of that total. Total
16 funds available for distribution shall be all existing and projected lottery proceeds
17 and interest for the fiscal year of the distribution, less the amount estimated to be
18 expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) (q) and less the
19 required reserve under s. 20.003 (5). The joint committee on finance may revise the
20 total amount to be distributed if it does so at a meeting that takes place before
21 November 1. If the joint committee on finance does not schedule a meeting to take
22 place before November 1, the total determined by the department of administration
23 shall be the total amount estimated to be distributed under the lottery credit in the
24 following year.”

1 **18.** Page 1402, line 19: after that line insert:

2 “**SECTION 3025w.** 565.45 of the statutes is amended to read:

3 **565.45 Report on expense limitation.** Before January 1, ~~1992~~ 2002, and
4 every 2 years thereafter, the department shall submit a report to the chief clerk of
5 each house of the legislature, for distribution to the legislature under s. 13.172 (2),
6 on the effects on the operation of the lottery of the 10% expense limitation under s.
7 25.75 (3) (b).”

→ Insert 10-7

8 **19.** Page 1600, line 20: after that line insert:

9 “(24e) **LOTTERY FUND.** The repeal and recreation of sections 25.75 (1) (b), 71.07
10 (3m) (b) 1. a., 71.28 (2m) (b) 1. a., 71.47 (2m) (b) 1. a. and 79.10 (11) (b) of the statutes
11 and the creation of section 25.75 (1) (c) 3. ^{plain} ~~and~~ (3) (b) ^{and (e)} of the statutes take effect on the
12 effective date of the 2001–03 biennial budget act.”

11

13

(END)

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1145/2ins
ISR:.....

1 Insert 1-6

2 1. Page 253, line 13: after that line insert:

\$sched

3 "(am) Lottery credit administration ✓ GPR A 43,300 33,500".

4 2. Page 254, line 7: decrease the dollar amount for fiscal year 1999-00 by
5 \$43,300 and decrease the dollar amount for fiscal year 2000-01 by \$33,500 for the
6 purpose of reducing funding for lottery credit administration. ✓

7 Insert 3-2

8 3. Page 391, line 20: after that line insert:

9 "SECTION 595g. ✓ 20.566 (2) (am) ✓ of the statutes is created to read:

10 20.566 (2) (am) *Lottery credit administration*. The amounts in the schedule for
11 the administration of the lottery credit. No moneys may be encumbered or expended
12 from this appropriation ^{account day of publication} after the effective date of the effective date of the 2001-03
13 biennial budget act.

14 SECTION 595m. ✓ 20.566 (2) (r) ✓ of the statutes is amended to read:

15 20.566 (2) (r) *Lottery credit administration*. From the lottery fund, the
16 amounts in the schedule for the administration of the lottery credit. No moneys may
17 be encumbered or expended from this appropriation ^{account} during the 1999-2001 ✓
18 year biennium. "

History: 1971 c. 108 ss. 2, 3, 6; 1971 c. 125 ss. 164, 173, 174, 175, 176; 1971 c. 211, 215; 1973 c. 90; 1975 c. 39 ss. 201, 732 (1); 1977 c. 29, 31, 418; 1979 c. 34 ss. 610m to 617, 2102 (46) (c); 1979 c. 63 ss. 3, 6; 1979 c. 177, 221; 1981 c. 20; 1981 c. 86 ss. 7, 71; 1981 c. 328 s. 4; 1983 a. 27 ss. 469 to 477; 1983 a. 368; 1983 a. 410 s. 2202 (38); 1985 a. 29 ss. 536 to 537r, 3202 (39) (a), (46) (c), (i); 1985 a. 41, 120; 1987 a. 27 ss. 444 to 458, 3200 (47); 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31, 335; 1991 a. 39, 259, 269; 1993 a. 16, 205, 263, 490; 1995 a. 27 ss. 546h to 546t, 1111mm to 1119r; 1995 a. 56, 227, 351; 1997 a. 27, 35, 41, 63, 148, 237, 252.

19 Insert 6-5

20 SECTION 717m. 25.75 (3) (e) ✓ of the statutes is repealed.

21 SECTION 717n. 25.75 (3) (e) ✓ of the statutes is created to read:

1 25.75 (3) (e) From the appropriation under s. 20.566 (2) (r), lottery proceeds
2 shall be used to offset department of revenue expenses in administering the lottery
3 credit." ✓

4 Insert 10-7

5 **4.** Page 1527, line 15: after that line insert:

6 “(2) ^e ~~f~~ GAMING LAW ENFORCEMENT POSITION AUTHORIZATION. The authorized FTE
7 positions for the department of justice are increased by ^{2.75} ~~2~~ GPR positions to be funded
8 from the appropriation under section 20.455 (2) (fm), as created by this act, for the
9 purpose of gaming law enforcement.” *of the statutes*

10 **5.** Page 1545, line 18: after that line insert:

11 “(3) ^e ~~a~~ LOTTERY GENERAL PROGRAM OPERATIONS POSITION AUTHORIZATION. The
12 authorized FTE positions for the department of revenue are increased by 110.5 GPR
13 positions to be funded from the appropriation under section 20.566 (8) (a) [✓] *of the statutes*
14 by this act, for the purpose of conducting general program operations for the lottery.”

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1145/2dn
ISR&JK;jlg:ch

June 26,1999

Please review the changes I made to this amendment carefully to make sure the amendment achieves your intent. If you have any questions or comments, feel free to contact me.

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1145/2dn
ISR:jlg:ch

June 26,1999

Please review the changes I made to this amendment carefully to make sure the amendment achieves your intent. If you have any questions or comments, feel free to contact me.

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
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State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1145/3
ISR&JK:jlg:ch

ARC:.....Kratochwill - Tax #8, Only lottery prizes and tax relief to
homeowners to be paid from lottery and gaming proceeds

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

Note

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 219, line 13: after that line insert:

3 “(fm) Gaming law enforcement GPR A 226,000 226,700”.

4 **2.** Page 221, line 5: decrease the dollar amount for fiscal year 1999-00 by
5 \$226,000 and decrease the dollar amount for fiscal year 2000-01 by \$226,700 to
6 decrease the number of authorized FTE positions by 2.75 SEG positions and for the
7 purpose of reducing funding for gaming enforcement.

8 **3.** Page 253, line 13: after that line insert:

9 “(am) Lottery credit administration GPR A 43,300 33,500”.

1 **4.** Page 254, line 7: decrease the dollar amount for fiscal year 1999–00 by
2 \$43,300 and decrease the dollar amount for fiscal year 2000–01 by \$33,500 for the
3 purpose of reducing funding for lottery credit administration.

4 **5.** Page 255, line 8: after that line insert:

5	“(a) General program operations	GPR	A	21,095,800	21,095,800
6	(b) Retailer compensation	GPR	S	-0-	-0-
7	(c) Vendor fees	GPR	S	-0-	-0-”.

8 **6.** Page 255, line 9: decrease the dollar amount for fiscal year 1999–00 by
9 \$21,095,800 and decrease the dollar amount for fiscal year 2000–01 by \$21,095,800
10 to decrease the authorized FTE positions by 110.5 SEG positions and for the purpose
11 of decreasing the funding for general program operations for the lottery.

12 **7.** Page 265, line 3: after that line insert:

13	“(dn) Farmland tax relief credit	GPR	S	20,200,000	48,800,000
14	”.				

15 **8.** Page 366, line 3: after that line insert:

16 **SECTION 481d.** 20.455 (2) (fm) of the statutes is created to read:
17 20.455 (2) (fm) *Gaming law enforcement.* The amounts in the schedule for the
18 performance of the department’s gaming law enforcement responsibilities as
19 specified in s. 165.70 (3m). No moneys may be encumbered or expended from this
20 appropriation account after the day of publication of the 2001–03 biennial budget
21 act.”.

22 **9.** Page 367, line 25: after that line insert:

23 **SECTION 490g.** 20.455 (2) (r) of the statutes is amended to read:

1 20.455 (2) (r) *Gaming law enforcement; lottery revenues.* From the lottery fund,
2 the amounts in the schedule for the performance of the department's gaming law
3 enforcement responsibilities as specified in s. 165.70 (3m). No moneys may be
4 encumbered or expended from this appropriation account during the 1999–2001
5 fiscal biennium.”

6 **10.** Page 391, line 20: after that line insert:

7 “**SECTION 595g.** 20.566 (2) (am) of the statutes is created to read:

8 20.566 (2) (am) *Lottery credit administration.* The amounts in the schedule for
9 the administration of the lottery credit. No moneys may be encumbered or expended
10 from this appropriation account after the day of publication of the 2001–03 biennial
11 budget act.

12 **SECTION 595m.** 20.566 (2) (r) of the statutes is amended to read:

13 20.566 (2) (r) *Lottery credit administration.* From the lottery fund, the
14 amounts in the schedule for the administration of the lottery credit. No moneys may
15 be encumbered or expended from this appropriation account during the 1999–2001
16 fiscal year biennium.”

17 **11.** Page 391, line 25: after that line insert:

18 “**SECTION 596q.** 20.566 (8) (a) of the statutes is created to read:

19 20.566 (8) (a) *General program operations.* The amounts in the schedule for
20 general program operations under ch. 565. No moneys may be encumbered or
21 expended from this appropriation account after the day of publication of the 2001–03
22 biennial budget act.

23 **SECTION 596r.** 20.566 (8) (b) of the statutes is created to read:

1 20.566 (8) (b) *Retailer compensation*. A sum sufficient to pay compensation to
2 retailers under s. 565.10 (14) (b). No moneys may be encumbered or expended from
3 this appropriation account after the day of publication of the 2001–03 biennial
4 budget act.

5 **SECTION 596s.** 20.566 (8) (c) of the statutes is created to read:

6 20.566 (8) (c) *Vendor fees*. A sum sufficient to pay vendors for on–line and
7 instant ticket services and supplies provided by the vendors under contract under
8 s. 565.25 (2) (a). No moneys may be encumbered or expended from this appropriation
9 account after the day of publication of the 2001–03 biennial budget act.”.

10 **12.** Page 392, line 6: delete “(kg).” and substitute “(kg). No moneys may be
11 encumbered or expended from this appropriation account during the 1999–2001
12 fiscal biennium.”.

13 **13.** Page 392, line 6: after that line insert:

14 “**SECTION 597c.** 20.566 (8) (r) of the statutes is amended to read:

15 20.566 (8) (r) *Retailer compensation*. From the lottery fund, a sum sufficient
16 to pay compensation to retailers under s. 565.10 (14) (b). No moneys may be
17 encumbered or expended from this appropriation account during the 1999–2001
18 fiscal biennium.

19 **SECTION 597f.** 20.566 (8) (v) of the statutes is amended to read:

20 20.566 (8) (v) *Vendor fees*. From the lottery fund, a sum sufficient to pay
21 vendors for on–line and instant ticket services and supplies provided by the vendors
22 under contract under s. 565.25 (2) (a). No moneys may be encumbered or expended
23 from this appropriation account during the 1999–2001 fiscal biennium.”.

24 **14.** Page 395, line 4: after that line insert:

1 **“SECTION 606t.** 20.835 (2) (dn) of the statutes is created to read:

2 20.835 (2) (dn) *Farmland tax relief credit.* A sum sufficient to pay the aggregate
3 claims approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c). No moneys
4 may be encumbered or expended from this appropriation after the day of publication
5 of the 2001–03 biennial budget act.”.

6 **15.** Page 395, line 19: after that line insert:

7 **“SECTION 612p.** 20.835 (2) (q) of the statutes is amended to read:

8 20.835 (2) (q) *Farmland tax relief credit.* From the lottery fund, a sum
9 sufficient to pay the aggregate claims approved under ss. 71.07 (3m) (c), 71.28 (2m)
10 (c) and 71.47 (2m) (c). No moneys may be encumbered or expended from this
11 appropriation account during the 1999–2001 fiscal biennium.”.

12 **16.** Page 470, line 14: after that line insert:

13 **“SECTION 717xa.** 25.75 (1) (b) of the statutes is amended to read:

14 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of
15 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
16 fees, if any, under s. 565.10 (8) ~~and includes compensation, including bonuses, if any,~~
17 ~~paid to retailers under s. 565.10 (14), regardless of whether the compensation is~~
18 ~~deducted by the retailer prior to transmitting lottery ticket and lottery share~~
19 ~~revenues to the commission.~~

20 **SECTION 717xb.** 25.75 (1) (b) of the statutes, as affected by 1999 Wisconsin Act
21 (this act), is repealed and recreated to read:

22 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of
23 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
24 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,

1 paid to retailers under s. 565.10 (14), regardless of whether the compensation is
2 deducted by the retailer prior to transmitting lottery ticket and lottery share
3 revenues to the commission.

4 **SECTION 717xf.** 25.75 (1) (c) 3. of the statutes is repealed.

5 **SECTION 717xg.** 25.75 (1) (c) 3. of the statutes is created to read:

6 25.75 (1) (c) 3. Amounts for other expenses including compensation paid to
7 retailers under s. 565.10 (14) and amounts paid to vendors for on-line services and
8 supplies provided by the vendors under contract under s. 565.25 (2) (a).

9 **SECTION 717xi.** 25.75 (3) (b) of the statutes is repealed.

10 **SECTION 717xj.** 25.75 (3) (b) of the statutes is created to read:

11 25.75 (3) (b) *Expenses.* No more than an amount equal to 10% of gross lottery
12 revenues for each year may be expended to pay the expenses for the operation and
13 administration of the lottery, except that expenses for the operation and
14 administration of the lottery may exceed 10% of gross lottery revenues if so approved
15 by the joint committee on finance under s. 13.10. In computing expenses subject to
16 the 10% limitation under this paragraph:

17 1. Compensation paid to retailers under s. 565.10 (14) shall not be included.

18 2. Capital expenditures may be amortized.

19 3. Payments to vendors for on-line services and supplies provided by the
20 vendors under contract under s. 565.25 (2) (a) shall be included.

21 4. Moneys appropriated from the lottery fund under s. 20.455 (2) (r) shall not
22 be included.

23 **SECTION 717ym.** 25.75 (3) (e) of the statutes is repealed.

24 **SECTION 717yn.** 25.75 (3) (e) of the statutes is created to read:

1 25.75 (3) (e) From the appropriation under s. 20.566 (2) (r), lottery proceeds
2 shall be used to offset department of revenue expenses in administering the lottery
3 credit.”.

4 **17.** Page 849, line 7: after that line insert:

5 “**SECTION 1710db.** 71.07 (3m) (b) 1. a. of the statutes is amended to read:

6 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and
7 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
8 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
9 claim exceeds the income taxes otherwise due on the claimant’s income or if there are
10 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not
11 used as an offset against income taxes shall be certified to the department of
12 administration for payment to the claimant by check, share draft or other draft paid
13 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

14 **SECTION 1710dc.** 71.07 (3m) (b) 1. a. of the statutes, as affected by 1999
15 Wisconsin Act (this act), is repealed and recreated to read:

16 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and
17 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
18 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
19 claim exceeds the income taxes otherwise due on the claimant’s income or if there are
20 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not
21 used as an offset against income taxes shall be certified to the department of
22 administration for payment to the claimant by check, share draft or other draft paid
23 from the appropriation under s. 20.835 (2) (q).”.

24 **18.** Page 913, line 7: after that line insert:

1 **“SECTION 1744bd.** 71.28 (2m) (b) 1. a. of the statutes is amended to read:

2 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
3 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
4 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
5 amount of claim exceeds the income or franchise taxes otherwise due on or measured
6 by the claimant’s income or if there are no Wisconsin income or franchise taxes due
7 on or measured by the claimant’s income, the amount of the claim not used as an
8 offset against income or franchise taxes shall be certified to the department of
9 administration for payment to the claimant by check, share draft or other draft paid
10 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

11 **SECTION 1744be.** 71.28 (2m) (b) 1. a. of the statutes, as affected by 1999
12 Wisconsin Act (this act), is repealed and recreated to read:

13 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
14 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
15 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
16 claim exceeds the income taxes otherwise due on the claimant’s income or if there are
17 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not
18 used as an offset against income taxes shall be certified to the department of
19 administration for payment to the claimant by check, share draft or other draft paid
20 from the appropriation under s. 20.835 (2) (q).”.

21 **19.** Page 943, line 22: after that line insert:

22 **“SECTION 1757bd.** 71.47 (2m) (b) 1. a. of the statutes is amended to read:

23 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
24 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or

1 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
2 amount of claim exceeds the income or franchise taxes otherwise due on or measured
3 by the claimant's income or if there are no Wisconsin income or franchise taxes due
4 on or measured by the claimant's income, the amount of the claim not used as an
5 offset against income or franchise taxes shall be certified to the department of
6 administration for payment to the claimant by check, share draft or other draft paid
7 from the appropriation under s. 20.835 (2) (q) (dn).

8 **SECTION 1757be.** 71.47 (2m) (b) 1. a. of the statutes, as affected by 1999
9 Wisconsin Act (this act), is repealed and recreated to read:

10 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
11 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
12 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
13 claim exceeds the income taxes otherwise due on the claimant's income or if there are
14 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
15 used as an offset against income taxes shall be certified to the department of
16 administration for payment to the claimant by check, share draft or other draft paid
17 from the appropriation under s. 20.835 (2) (q).”.

18 **20.** Page 958, line 14: after that line insert:

19 **“SECTION 1818Lb.** 79.10 (11) (b) of the statutes is amended to read:

20 79.10 (11) (b) Before October 16, the department of administration shall
21 determine the total funds available for distribution under the lottery credit in the
22 following year and shall inform the joint committee on finance of that total. Total
23 funds available for distribution shall be all existing and projected lottery proceeds
24 and interest for the fiscal year of the distribution, ~~less the amount estimated to be~~

1 ~~expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) (q) and less the~~
2 ~~required reserve under s. 20.003 (5). The joint committee on finance may revise the~~
3 ~~total amount to be distributed if it does so at a meeting that takes place before~~
4 ~~November 1. If the joint committee on finance does not schedule a meeting to take~~
5 ~~place before November 1, the total determined by the department of administration~~
6 ~~shall be the total amount estimated to be distributed under the lottery credit in the~~
7 ~~following year.~~

8 **SECTION 1818Lb.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin
9 Act ... (this act), is repealed and recreated to read:

10 79.10 (11) (b) Before October 16, the department of administration shall
11 determine the total funds available for distribution under the lottery credit in the
12 following year and shall inform the joint committee on finance of that total. Total
13 funds available for distribution shall be all existing and projected lottery proceeds
14 and interest for the fiscal year of the distribution, less the amount estimated to be
15 expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) (q) and less the
16 required reserve under s. 20.003 (5). The joint committee on finance may revise the
17 total amount to be distributed if it does so at a meeting that takes place before
18 November 1. If the joint committee on finance does not schedule a meeting to take
19 place before November 1, the total determined by the department of administration
20 shall be the total amount estimated to be distributed under the lottery credit in the
21 following year.”.

22 **21.** Page 1402, line 19: after that line insert:

23 “**SECTION 3025w.** 565.45 of the statutes is amended to read:

1 **565.45 Report on expense limitation.** Before January 1, ~~1992~~ 2002, and
2 every 2 years thereafter, the department shall submit a report to the chief clerk of
3 each house of the legislature, for distribution to the legislature under s. 13.172 (2),
4 on the effects on the operation of the lottery of the 10% expense limitation under s.
5 25.75 (3) (b).”.

6 **22.** Page 1527, line 15: after that line insert:

7 “(2e) GAMING LAW ENFORCEMENT POSITION AUTHORIZATION. The authorized FTE
8 positions for the department of justice are increased by 2.75 GPR positions to be
9 funded from the appropriation under section 20.455 (2) (fm) of the statutes, as
10 created by this act, for the purpose of gaming law enforcement.”.

11 **23.** Page 1545, line 18: after that line insert:

12 “(3e) LOTTERY GENERAL PROGRAM OPERATIONS POSITION AUTHORIZATION. The
13 authorized FTE positions for the department of revenue are increased by 110.5 GPR
14 positions to be funded from the appropriation under section 20.566 (8) (a) of the
15 statutes, as created by this act, for the purpose of conducting general program
16 operations for the lottery.”.

17 **24.** Page 1600, line 20: after that line insert:

18 “(24e) LOTTERY FUND. The repeal and recreation of sections 25.75 (1) (b), 71.07
19 (3m) (b) 1. a., 71.28 (2m) (b) 1. a., 71.47 (2m) (b) 1. a. and 79.10 (11) (b) of the statutes
20 and the creation of section 25.75 (1) (c) 3. and (3) (b) and (e) of the statutes take effect
21 on the effective date of the 2001–03 biennial budget act.”.

22

(END)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb1145/³2dn
ISR:jlg:ch

June 26, 1999

change to the schedule entry on ^a page 2, line 13, in the
The only change made in this version. ~~Page was do~~
Please review the changes I made to this amendment carefully to make sure the
amendment achieves your intent. If you have any questions or comments, feel free to
contact me.

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us

This change was made
to correct a technical
error.

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb1145/3dn
ISR&JK:jlg:ksh

June 26, 1999

The change to the schedule entry on page 2, line 13, is the only change made in this version. This change was made to correct a technical error. If you have any questions or comments, feel free to contact me.

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us

ARC:.....Kratochwill - Tax #8, Only lottery prizes and tax relief to
homeowners to be paid from lottery and gaming proceeds

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 219, line 13: after that line insert:

3 “(fm) Gaming law enforcement GPR A 226,000 226,700”.

4 **2.** Page 221, line 5: decrease the dollar amount for fiscal year 1999-00 by
5 \$226,000 and decrease the dollar amount for fiscal year 2000-01 by \$226,700 to
6 decrease the number of authorized FTE positions by 2.75 SEG positions and for the
7 purpose of reducing funding for gaming enforcement.

8 **3.** Page 253, line 13: after that line insert:

9 “(am) Lottery credit administration GPR A 43,300 33,500”.

1 **4.** Page 254, line 7: decrease the dollar amount for fiscal year 1999–00 by
2 \$43,300 and decrease the dollar amount for fiscal year 2000–01 by \$33,500 for the
3 purpose of reducing funding for lottery credit administration.

4 **5.** Page 255, line 8: after that line insert:

5	“(a) General program operations	GPR	A	21,095,800	21,095,800
6	(b) Retailer compensation	GPR	S	-0-	-0-
7	(c) Vendor fees	GPR	S	-0-	-0-”.

8 **6.** Page 255, line 9: decrease the dollar amount for fiscal year 1999–00 by
9 \$21,095,800 and decrease the dollar amount for fiscal year 2000–01 by \$21,095,800
10 to decrease the authorized FTE positions by 110.5 SEG positions and for the purpose
11 of decreasing the funding for general program operations for the lottery.

12 **7.** Page 265, line 3: after that line insert:

13	“(dn) Farmland tax relief credit	GPR	S	-0-	-0-”.
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14 **8.** Page 366, line 3: after that line insert:

15 “SECTION 481d. 20.455 (2) (fm) of the statutes is created to read:

16 20.455 (2) (fm) *Gaming law enforcement.* The amounts in the schedule for the
17 performance of the department’s gaming law enforcement responsibilities as
18 specified in s. 165.70 (3m). No moneys may be encumbered or expended from this
19 appropriation account after the day of publication of the 2001–03 biennial budget
20 act.”.

21 **9.** Page 367, line 25: after that line insert:

22 “SECTION 490g. 20.455 (2) (r) of the statutes is amended to read:

1 20.455 (2) (r) *Gaming law enforcement; lottery revenues*. From the lottery fund,
2 the amounts in the schedule for the performance of the department's gaming law
3 enforcement responsibilities as specified in s. 165.70 (3m). No moneys may be
4 encumbered or expended from this appropriation account during the 1999–2001
5 fiscal biennium”.

6 **10.** Page 391, line 20: after that line insert:

7 “**SECTION 595g.** 20.566 (2) (am) of the statutes is created to read:

8 20.566 (2) (am) *Lottery credit administration*. The amounts in the schedule for
9 the administration of the lottery credit. No moneys may be encumbered or expended
10 from this appropriation account after the day of publication of the 2001–03 biennial
11 budget act.

12 **SECTION 595m.** 20.566 (2) (r) of the statutes is amended to read:

13 20.566 (2) (r) *Lottery credit administration*. From the lottery fund, the
14 amounts in the schedule for the administration of the lottery credit. No moneys may
15 be encumbered or expended from this appropriation account during the 1999–2001
16 fiscal year biennium”.

17 **11.** Page 391, line 25: after that line insert:

18 “**SECTION 596q.** 20.566 (8) (a) of the statutes is created to read:

19 20.566 (8) (a) *General program operations*. The amounts in the schedule for
20 general program operations under ch. 565. No moneys may be encumbered or
21 expended from this appropriation account after the day of publication of the 2001–03
22 biennial budget act.

23 **SECTION 596r.** 20.566 (8) (b) of the statutes is created to read:

1 20.566 (8) (b) *Retailer compensation*. A sum sufficient to pay compensation to
2 retailers under s. 565.10 (14) (b). No moneys may be encumbered or expended from
3 this appropriation account after the day of publication of the 2001–03 biennial
4 budget act.

5 **SECTION 596s.** 20.566 (8) (c) of the statutes is created to read:

6 20.566 (8) (c) *Vendor fees*. A sum sufficient to pay vendors for on–line and
7 instant ticket services and supplies provided by the vendors under contract under
8 s. 565.25 (2) (a). No moneys may be encumbered or expended from this appropriation
9 account after the day of publication of the 2001–03 biennial budget act.”.

10 **12.** Page 392, line 6: delete “~~(kg)~~.” and substitute “~~(kg)~~. No moneys may be
11 encumbered or expended from this appropriation account during the 1999–2001
12 fiscal biennium.”.

13 **13.** Page 392, line 6: after that line insert:

14 “**SECTION 597c.** 20.566 (8) (r) of the statutes is amended to read:

15 20.566 (8) (r) *Retailer compensation*. From the lottery fund, a sum sufficient
16 to pay compensation to retailers under s. 565.10 (14) (b). No moneys may be
17 encumbered or expended from this appropriation account during the 1999–2001
18 fiscal biennium.

19 **SECTION 597f.** 20.566 (8) (v) of the statutes is amended to read:

20 20.566 (8) (v) *Vendor fees*. From the lottery fund, a sum sufficient to pay
21 vendors for on–line and instant ticket services and supplies provided by the vendors
22 under contract under s. 565.25 (2) (a). No moneys may be encumbered or expended
23 from this appropriation account during the 1999–2001 fiscal biennium.”.

24 **14.** Page 395, line 4: after that line insert:

1 **“SECTION 606t.** 20.835 (2) (dn) of the statutes is created to read:

2 20.835 (2) (dn) *Farmland tax relief credit.* A sum sufficient to pay the aggregate
3 claims approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c). No moneys
4 may be encumbered or expended from this appropriation after the day of publication
5 of the 2001–03 biennial budget act.”.

6 **15.** Page 395, line 19: after that line insert:

7 **“SECTION 612p.** 20.835 (2) (q) of the statutes is amended to read:

8 20.835 (2) (q) *Farmland tax relief credit.* From the lottery fund, a sum
9 sufficient to pay the aggregate claims approved under ss. 71.07 (3m) (c), 71.28 (2m)
10 (c) and 71.47 (2m) (c). No moneys may be encumbered or expended from this
11 appropriation account during the 1999–2001 fiscal biennium.”.

12 **16.** Page 470, line 14: after that line insert:

13 **“SECTION 717xa.** 25.75 (1) (b) of the statutes is amended to read:

14 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of
15 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
16 fees, if any, under s. 565.10 (8) ~~and includes compensation, including bonuses, if any,~~
17 ~~paid to retailers under s. 565.10 (14), regardless of whether the compensation is~~
18 ~~deducted by the retailer prior to transmitting lottery ticket and lottery share~~
19 ~~revenues to the commission.~~

20 **SECTION 717xb.** 25.75 (1) (b) of the statutes, as affected by 1999 Wisconsin Act
21 (this act), is repealed and recreated to read:

22 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of
23 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of
24 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,

1 paid to retailers under s. 565.10 (14), regardless of whether the compensation is
2 deducted by the retailer prior to transmitting lottery ticket and lottery share
3 revenues to the commission.

4 **SECTION 717xf.** 25.75 (1) (c) 3. of the statutes is repealed.

5 **SECTION 717xg.** 25.75 (1) (c) 3. of the statutes is created to read:

6 25.75 (1) (c) 3. Amounts for other expenses including compensation paid to
7 retailers under s. 565.10 (14) and amounts paid to vendors for on-line services and
8 supplies provided by the vendors under contract under s. 565.25 (2) (a).

9 **SECTION 717xi.** 25.75 (3) (b) of the statutes is repealed.

10 **SECTION 717xj.** 25.75 (3) (b) of the statutes is created to read:

11 25.75 (3) (b) *Expenses.* No more than an amount equal to 10% of gross lottery
12 revenues for each year may be expended to pay the expenses for the operation and
13 administration of the lottery, except that expenses for the operation and
14 administration of the lottery may exceed 10% of gross lottery revenues if so approved
15 by the joint committee on finance under s. 13.10. In computing expenses subject to
16 the 10% limitation under this paragraph:

17 1. Compensation paid to retailers under s. 565.10 (14) shall not be included.

18 2. Capital expenditures may be amortized.

19 3. Payments to vendors for on-line services and supplies provided by the
20 vendors under contract under s. 565.25 (2) (a) shall be included.

21 4. Moneys appropriated from the lottery fund under s. 20.455 (2) (r) shall not
22 be included.

23 **SECTION 717ym.** 25.75 (3) (e) of the statutes is repealed.

24 **SECTION 717yn.** 25.75 (3) (e) of the statutes is created to read:

1 25.75 (3) (e) From the appropriation under s. 20.566 (2) (r), lottery proceeds
2 shall be used to offset department of revenue expenses in administering the lottery
3 credit.”.

4 **17.** Page 849, line 7: after that line insert:

5 “SECTION 1710db. 71.07 (3m) (b) 1. a. of the statutes is amended to read:

6 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and
7 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
8 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
9 claim exceeds the income taxes otherwise due on the claimant’s income or if there are
10 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not
11 used as an offset against income taxes shall be certified to the department of
12 administration for payment to the claimant by check, share draft or other draft paid
13 from the appropriation under s. 20.835 (2) ~~(e)~~ (dn).

14 SECTION 1710dc. 71.07 (3m) (b) 1. a. of the statutes, as affected by 1999
15 Wisconsin Act (this act), is repealed and recreated to read:

16 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and
17 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
18 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
19 claim exceeds the income taxes otherwise due on the claimant’s income or if there are
20 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not
21 used as an offset against income taxes shall be certified to the department of
22 administration for payment to the claimant by check, share draft or other draft paid
23 from the appropriation under s. 20.835 (2) (q).”.

24 **18.** Page 913, line 7: after that line insert:

1 **SECTION 1744bd.** 71.28 (2m) (b) 1. a. of the statutes is amended to read:

2 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
3 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
4 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
5 amount of claim exceeds the income or franchise taxes otherwise due on or measured
6 by the claimant's income or if there are no Wisconsin income or franchise taxes due
7 on or measured by the claimant's income, the amount of the claim not used as an
8 offset against income or franchise taxes shall be certified to the department of
9 administration for payment to the claimant by check, share draft or other draft paid
10 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

11 **SECTION 1744be.** 71.28 (2m) (b) 1. a. of the statutes, as affected by 1999
12 Wisconsin Act (this act), is repealed and recreated to read:

13 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
14 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
15 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
16 claim exceeds the income taxes otherwise due on the claimant's income or if there are
17 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
18 used as an offset against income taxes shall be certified to the department of
19 administration for payment to the claimant by check, share draft or other draft paid
20 from the appropriation under s. 20.835 (2) (q).”.

21 **19.** Page 943, line 22: after that line insert:

22 **SECTION 1757bd.** 71.47 (2m) (b) 1. a. of the statutes is amended to read:

23 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
24 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or

1 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
2 amount of claim exceeds the income or franchise taxes otherwise due on or measured
3 by the claimant's income or if there are no Wisconsin income or franchise taxes due
4 on or measured by the claimant's income, the amount of the claim not used as an
5 offset against income or franchise taxes shall be certified to the department of
6 administration for payment to the claimant by check, share draft or other draft paid
7 from the appropriation under s. 20.835 (2) (q) (dn).

8 **SECTION 1757be.** 71.47 (2m) (b) 1. a. of the statutes, as affected by 1999
9 Wisconsin Act (this act), is repealed and recreated to read:

10 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
11 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
12 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
13 claim exceeds the income taxes otherwise due on the claimant's income or if there are
14 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
15 used as an offset against income taxes shall be certified to the department of
16 administration for payment to the claimant by check, share draft or other draft paid
17 from the appropriation under s. 20.835 (2) (q).”.

18 **20.** Page 958, line 14: after that line insert:

19 “**SECTION 1818Lb.** 79.10 (11) (b) of the statutes is amended to read:

20 79.10 (11) (b) Before October 16, the department of administration shall
21 determine the total funds available for distribution under the lottery credit in the
22 following year and shall inform the joint committee on finance of that total. Total
23 funds available for distribution shall be all existing and projected lottery proceeds
24 and interest for the fiscal year of the distribution, ~~less the amount estimated to be~~

1 ~~expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) (q) and less the~~
2 ~~required reserve under s. 20.003 (5). The joint committee on finance may revise the~~
3 ~~total amount to be distributed if it does so at a meeting that takes place before~~
4 ~~November 1. If the joint committee on finance does not schedule a meeting to take~~
5 ~~place before November 1, the total determined by the department of administration~~
6 ~~shall be the total amount estimated to be distributed under the lottery credit in the~~
7 ~~following year.~~

8 **SECTION 1818Lb.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin
9 Act (this act), is repealed and recreated to read:

10 79.10 (11) (b) Before October 16, the department of administration shall
11 determine the total funds available for distribution under the lottery credit in the
12 following year and shall inform the joint committee on finance of that total. Total
13 funds available for distribution shall be all existing and projected lottery proceeds
14 and interest for the fiscal year of the distribution, less the amount estimated to be
15 expended under ss. 20.455 (2) (r), 20.566 (2) (r) and 20.835 (2) (q) and less the
16 required reserve under s. 20.003 (5). The joint committee on finance may revise the
17 total amount to be distributed if it does so at a meeting that takes place before
18 November 1. If the joint committee on finance does not schedule a meeting to take
19 place before November 1, the total determined by the department of administration
20 shall be the total amount estimated to be distributed under the lottery credit in the
21 following year.”.

22 **21.** Page 1402, line 19: after that line insert:

23 “**SECTION 3025w.** 565.45 of the statutes is amended to read:

