

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 - sales**
Tax - miscellaneous

Extra Copies:

Pre Topic:

ARC:.....Kratochwill - TP (15),

Topic:

Reduce local exposition taxes retained by DOR

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>
/?	jkreye 06/24/99	chanaman 06/24/99		_____			
/1			mclark 06/24/99	_____	ismith 06/24/99		

FE Sent For:

<END>

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 - sales
Tax - miscellaneous

Extra Copies:

Pre Topic:

ARC:.....Kratochwill - TP (15),

Topic:

Reduce local exposition taxes retained by DOR

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>
1/?	jkreye	om 1 6/24 11	MRC 6/24	MRC/JS 6/24			

FE Sent For:

<END>

Larger lottery prizes, associated with the on-line games of Powerball and Megabucks, may be paid out in annual installments, usually over a 25-year period, or as a smaller one-time payment, depending on the option chosen by the purchaser of the ticket at the time of purchase. Under current law, the right of any person to a lottery prize may not be assigned. Assignment refers to the transfer to another of any property, in whole or in part, which may be executed for a variety of reasons. Assignment, in the context of lottery prizes, would involve the ability of a prize winner to "sell" or assign his or her right to collect all or part of future lottery prize payments to a third party in exchange for a more immediate payment or other return made by the third party to the prize winner. Examples of such third parties could include investors, banks or loan companies.

The biennial budget bill adopted by the Joint Committee on Finance contains a provision to allow lottery prize winners to designate whether to receive the prize as a lump sum or an annuity within 60 days of winning. The bill would also allow individuals who won prior to October 21, 1998, and currently receive the prize as an annuity, to designate a lump sum payment for the remaining portion of the prize, if the option is exercised by December 31, 2000. The bill provision is estimated to increase individual income tax revenues by \$5.7 million in 1999-00 and \$2.3 million in 2000-01; revenues would be reduced by an estimated \$800,000 annually in 2001-02 and thereafter. Allowing prize winners to assign their prize to a private corporation would have an unknown impact on state revenues since the budget bill would allow lottery winners to choose to receive their winnings as a lump sum payment at the time of winning a prize.

15. *Revenue -- Local Exposition Taxes.* Modify the Joint Committee on Finance provision reducing the amount of local exposition taxes retained by DOR for administration of the tax collections from 3.0% to 1.75% by instead establishing this percentage at 2.55%. Compared to the Joint Finance version of the bill, this would increase revenues retained by the Department by \$71,500 in 1999-00 and \$85,500 in 2000-01. Compared to current law, the estimated revenue increase to the district would be \$40,200 in 1999-00 and \$48,200 in 2000-01.

[Change to JFC: \$165,808,000 GPR; -\$260,000 GPR-REV; -\$2,246,400 SEG; -\$2,246,400 SEG-REV (DOT); -\$2,000 SEG-REV (DNR); and \$157,300 PR-REV]



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1171?

JK:.....

my

ARC:.....Kratowill - TP (15), Reduce local exposition taxes retained by
DOR

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

SOON

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 391, line 10: delete that line and substitute: "77. Three percent An
- 3 amount equal to 2.55% of all moneys received from the taxes".
- 4 **2.** Page 396, line 2: delete lines 2 to 5 and substitute:
- 5 "20.835 (4) (gg) *Local taxes.* ~~Ninety-seven percent of the~~ All moneys received
- 6 from the taxes imposed under s. 66.75 (1m) (a) and (b) and subchs. VIII and IX of ch.
- 7 77, for distribution to the districts under subch. II of ch. 229 that impose those taxes,
- 8 except that 2.55% of those moneys shall be credited to the appropriation account
- 9 under s. 20.566 (1) (gg)."
- 10 **3.** Page 806, line 12: delete "98.25%" and substitute "97.45%".



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1171/1
JK:cmh:mrc

ARC:.....Kratochwill - TP (15), Reduce local exposition taxes retained by
DOR

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 391, line 10: delete that line and substitute “77. ~~Three percent~~ An
3 amount equal to 2.55% of all moneys received from the taxes”.

4 **2.** Page 396, line 2: delete lines 2 to 5 and substitute:

5 “20.835 (4) (gg) *Local taxes.* ~~Ninety-seven percent of the~~ All moneys received
6 from the taxes imposed under s. 66.75 (1m) (a) and (b) and subchs. VIII and IX of ch.
7 77, for distribution to the districts under subch. II of ch. 229 that impose those taxes,
8 except that 2.55% of those moneys shall be credited to the appropriation account
9 under s. 20.566 (1) (gg).”.

10 **3.** Page 806, line 12: delete “98.25%” and substitute “97.45%”.

