



**Fiscal Estimate Narratives**  
**DOR 2/7/02**

LRB Number <b>01-4487/1</b>	Introduction Number <b>SB-424</b>	Estimate Type <b>Original</b>
<b>Subject</b> Authorize the creation of local park and recreation districts		

**Assumptions Used in Arriving at Fiscal Estimate**

Under the bill, two or more municipalities (except for municipalities with a majority of their territory in Milwaukee County) could jointly create a park and recreation district. Such a unit would be a local unit of government separate and distinct from its underlying municipalities.

The bill would exempt a park and recreation district from local property taxes and from state corporate income taxes. Purchases by such districts would be exempt from state and local sales and use taxes. Transfers of property to such districts would be exempt from the real estate transfer fee.

The bill would permit a park district to levy property taxes. The maximum tax rate on the district's equalized value could not be less than 0.7 mills or more than 1.4 mills. The actual maximum rate would be the rate that first falls within this range. A tax rate exceeding the maximum rate requires approval of voters at a referendum.

It is not possible to reasonably estimate the number of park and recreation districts that would be created as a result of the bill. It is therefore not possible to estimate the amount of property taxes such districts would impose, or the amount by which state income, sales, and real estate transfer fees would be reduced.

**Long-Range Fiscal Implications**