



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1297/P1
JK/MES/CTS:wlj:jt

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1u: 2/21/05
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OTHER

1 AN ACT to amend 38.28 (2) (b) 2., 70.35 (1), 70.35 (2), 70.36 (1m), 70.995 (12r),
2 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.10 (4) (i), 71.21 (4), 71.26 (2) (a), 71.30 (3)
3 (f), 71.34 (1) (g), 71.45 (2) (a) 10., 71.49 (1) (f), 73.06 (3), 76.025 (1), 76.81, 77.54
4 (41), 77.92 (4), 79.03 (3) (b) 3., 79.095 (2) (a), 79.095 (3), 79.095 (4) and 121.06
5 (4); and to create 20.835 (2) (cm), 70.111 (26), 71.05 (6) (b) 35., 71.05 (6) (b) 36.,
6 71.07 (3w), 71.26 (1) (g), 71.28 (3w), 71.47 (3w), 77.54 (48) and 560.799 of the
7 statutes; relating to: creating rural enterprise development zones and
8 providing tax incentives to qualified businesses in the zones, creating
9 individual income tax ^{non refundable} ~~subtract modifications~~ ^{credits} for income and capital gains
10 derived from the zones, making an appropriation, and providing a penalty.

Analysis by the Legislative Reference Bureau

~~This is a preliminary draft. An analysis will be provided in a later version.~~

This bill will be referred to the Joint Survey Committee on Tax Exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 20.835 (2) (cm) of the statutes is created to read:

20.835 (2) (cm) *Rural enterprise development zone jobs credit.* A sum sufficient to make the payments under ss. 71.07 (3w) (c) 1., 71.28 (3w) (c) 1., 71.47 (3w) (c) 1.

SECTION 2. 38.28 (2) (b) 2. of the statutes is amended to read:

38.28 (2) (b) 2. The most current equalized values certified by the department of revenue shall be used in aid determinations. Equalized values shall include the full value of property that is exempt under s. ss. 70.11 (39) and (39m) and 70.111 (26) as determined under s. 79.095 (3).

SECTION 3. 70.111 (26) of the statutes is created to read:

70.111 (26) RURAL ENTERPRISE DEVELOPMENT ZONE PROPERTY. If the owner of the property fulfills the requirements under s. 70.35, personal property that is located in a rural enterprise development zone designated under s. 560.799 and owned by a business certified to claim tax benefits under s. 560.799 (5). For the purposes of s. 79.095, the exemption under this subsection does not apply to property that is otherwise exempt under this chapter.

SECTION 4. 70.35 (1) of the statutes is amended to read:

70.35 (1) To determine the amount and value of any personal property for which any person, firm or corporation should be assessed, any assessor may examine such person or the managing agent or officer of any firm or corporation under oath as to all such items of personal property, the taxable value thereof as defined in s. 70.34 if the property is taxable and the fair market value if the property is exempt

1 under ~~s. ss.~~ ss. 70.11 (39) and (39m) and 70.111 (26). In the alternative the assessor may
2 require such person, firm or corporation to submit a return of such personal property
3 and of the taxable value thereof. There shall be annexed to such return the
4 declaration of such person or of the managing agent or officer of such firm or
5 corporation that the statements therein contained are true.

6 **SECTION 5.** 70.35 (2) of the statutes is amended to read:

7 70.35 (2) The return shall be made and all the information therein requested
8 given by such person on a form prescribed by the assessor with the approval of the
9 department of revenue which shall provide suitable schedules for such information
10 bearing on value as the department deems necessary to enable the assessor to
11 determine the true cash value of the taxable personal property, and of the personal
12 property that is exempt under ~~s. ss.~~ ss. 70.11 (39) and (39m) and 70.111 (26), that is
13 owned or in the possession of such person on January 1 as provided in s. 70.10. The
14 return may contain methods of deriving assessable values from book values and for
15 the conversion of book values to present values, and a statement as to the accounting
16 method used. No person shall be required to take detailed physical inventory for the
17 purpose of making the return required by this section.

18 **SECTION 6.** 70.36 (1m) of the statutes is amended to read:

19 70.36 (1m) Any person, firm or corporation that fails to include information on
20 property that is exempt under ~~s. ss.~~ ss. 70.11 (39) and (39m) and 70.111 (26) on the report
21 under s. 70.35 shall forfeit \$10 for every \$100 or major fraction thereof that is not
22 reported.

23 **SECTION 7.** 70.995 (12r) of the statutes is amended to read:

1 70.995 (12r) The department of revenue shall calculate the value of property
2 that is used in manufacturing, as defined in this section, and that is exempt under
3 s. ss. 70.11 (39) and (39m) and 70.111 (26).

4 SECTION 8. 71.05 (6) (a) 15. of the statutes is amended to read:

5 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
6 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (3g), (3n), (3s), (3t), (3w), (5b), and (5d)
7 and not passed through by a partnership, limited liability company, or tax-option
8 corporation that has added that amount to the partnership's, company's, or
9 tax-option corporation's income under s. 71.21 (4) or 71.34 (1) (g).

10 SECTION 9. 71.05 (6) (b) 35. of the statutes is created to read:

11 71.05 (6) (b) 35. For an individual who owns or operates a trade or business in
12 a rural enterprise development zone, as defined in s. 71.07 (3w) (a) 4., up to 20
13 percent of the income that the individual derives from the operation of his or her
14 trade or business in the rural enterprise development zone.

15 SECTION 10. 71.05 (6) (b) 36. of the statutes is created to read:

16 71.05 (6) (b) 36. To the extent that the gains are not excluded from taxation
17 under subd. 9., for an individual, 100 percent of the capital gain as computed under
18 the Internal Revenue Code if the gain is one of the following, provided that the capital
19 gains and capital losses for all assets shall be netted before application of the
20 percentage:

21 a. The gain derived from the sale or exchange of real property that is located
22 in a rural enterprise development zone, as defined in s. 71.07 (3w) (a) 4., and used
23 by a certified business under s. 560.799 (5). If the real property was held by the
24 individual during a period when the zone was not designated, the gain must be
25 multiplied by a fraction, the numerator of which is the number of days that the real

1 property was held by the individual during the period the zone designation was in
2 effect and the denominator of which is the total number of days that the real property
3 was held by the individual.

4 b. The gain derived from the sale or exchange of property, other than real
5 property, that is used by a certified business under s. 560.799 (5). If the property was
6 held by the individual during a period when the zone was not designated, the gain
7 must be multiplied by a fraction, the numerator of which is the number of days that
8 the property was held by the individual during the period the zone designation was
9 in effect and the denominator of which is the total number of days that the property
10 was held by the individual.

11 **SECTION 11.** 71.07 (3w) of the statutes is created to read:

12 **71.07 (3w) RURAL ENTERPRISE DEVELOPMENT ZONE JOBS CREDIT.** (a) *Definitions.*

13 In this subsection:

14 1. "Base year" means the taxable year beginning during the calendar year prior
15 to the calendar year in which the rural enterprise development zone in which the
16 claimant is located takes effect.

17 2. "Claimant" means a person who is certified to claim tax benefits under s.
18 560.799 (5) and who files a claim under this subsection.

19 3. "Full-time employee" means an individual who is employed in a regular,
20 nonseasonal job and who, as a condition of employment, is required to work at least
21 2,080 hours per year, including paid leave and holidays.

22 4. "Rural enterprise development zone" means a zone designated under s.
23 560.799.

24 5. "State payroll" means the amount of payroll apportioned to this state, as
25 determined under s. 71.04 (6).

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1 6. "Zone payroll" means the amount of state payroll that is attributable to
2 compensation paid to individuals for services that are performed in a rural
3 enterprise development zone or who are working from an office located in a rural
4 enterprise development zone if the work is incidental to any work that the individual
5 performs within the rural enterprise development zone. "Zone payroll" does not
6 include the amount of compensation paid to any individual that exceeds \$100,000.

7 (b) *Filing claims*. ^{Zone payroll} Subject to the limitations provided in this subsection and s.
8 560.799, a claimant may claim as a credit against the tax imposed under s. 71.02 ^{or}
9 71.08 an amount calculated as follows:

- 10 1. Determine the amount that is the lesser of:
 - 11 a. The claimant's zone payroll in the taxable year, minus the claimant's zone
 - 12 payroll in the base year.
 - 13 b. The claimant's state payroll in the taxable year, minus the claimant's state
 - 14 payroll in the base year.
- 15 2. Subtract the number of full-time employees that the claimant employed in
- 16 the area that comprises the rural enterprise development zone in the base year from
- 17 the number of full-time employees that the claimant employed in the rural
- 18 enterprise development zone in the taxable year.
- 19 3. Multiply the amount determined under subd. 2., but not an amount less than
- 20 zero, by \$30,000.

21 4. Subtract the amount determined under subd. 3. from the amount
22 determined under subd. 1.

23 (c) *Limitations*. 1. If the allowable amount of the claim under this subsection
24 exceeds the taxes otherwise due on the claimant's income under s. 71.02 ^{or} 71.08, the
25 amount of the claim that is not used to offset those taxes shall be certified by the

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1 department of revenue to the department of administration for payment by check,
2 share draft, or other draft drawn from the appropriation under s. 20.835 (2) (cm).

3 2. Partnerships, limited liability companies, and tax-option corporations may
4 not claim the credit under this subsection, but the eligibility for, and the amount of,
5 the credit are based on their payment of amounts described under par^s (b) ~~of~~ ^{and (bm)} A
6 partnership, limited liability company, or tax-option corporation shall compute the
7 amount of credit that each of its partners, members, or shareholders may claim and
8 shall provide that information to each of them. Partners, members of limited liability
9 companies, and shareholders of tax-option corporations may claim the credit in
10 proportion to their ownership interests.

11 3. No credit may be allowed under this subsection unless the claimant includes
12 with the claimant's return a copy of the claimant's certification for tax benefits under
13 s. 560.799 (5).

14 (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the credit under
15 s. 71.28 (4), applies to the credit under this subsection.

16 **SECTION 12.** 71.08 (1) (intro.) of the statutes is amended to read:

17 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
18 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
19 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2fd), (3m), (3n), (3s),
20 (3t), (3w), (5b), (5d), (6), and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx),
21 (1fd), (2m), (3), (3n), ~~and (3t), and (3w)~~, and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds),
22 (1dx), (1fd), (2m), (3), (3n), ~~and (3t), and (3w)~~, and subchs. VIII and IX, and payments
23 to other states under s. 71.07 (7), is less than the tax under this section, there is
24 imposed on that natural person, married couple filing jointly, trust, or estate, instead
25 of the tax under s. 71.02, an alternative minimum tax computed as follows:

1 **SECTION 13.** 71.10 (4) (i) of the statutes is amended to read:

2 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
3 preservation credit under subch. IX, homestead credit under subch. VIII, farmland
4 tax relief credit under s. 71.07 (3m), farmers' drought property tax credit under s.
5 71.07 (2fd), rural enterprise development zone jobs credit under s. 71.07 (3w), earned
6 income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and
7 taxes withheld under subch. X.

8 **SECTION 14.** 71.21 (4) of the statutes is amended to read:

9 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
10 (2dj), (2dL), (2dm), (2ds), (2dx), (3g), (3n), (3s), (3t), (3w), and (5b) and passed through
11 to partners shall be added to the partnership's income.

12 **SECTION 15.** 71.26 (1) (g) of the statutes is created to read:

13 71.26 (1) (g) *Rural enterprise development zone.* Income of a corporation that
14 has all of its property in a rural enterprise development zone created under s.
15 560.799, if all of the corporation's payroll is zone payroll, as defined in s. 71.28 (3w)
16 (a) 6., not including the amount of any income that exceeds an amount equal to 20
17 percent of the sum of the corporation's zone payroll and the adjusted basis of the
18 corporation's property at the time that the property is first placed in service in the
19 rural enterprise development zone.

20 **SECTION 16.** 71.26 (2) (a) of the statutes is amended to read:

21 71.26 (2) (a) *Corporations in general.* The "net income" of a corporation means
22 the gross income as computed under the Internal Revenue Code as modified under
23 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit
24 computed under s. 71.28 (1), (3), (4), and (5) minus, as provided under s. 71.28 (3) (c)
25 7., the amount of the credit under s. 71.28 (3) that the taxpayer added to income

1 under this paragraph at the time that the taxpayer first claimed the credit plus the
2 amount of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm),
3 (1ds), (1dx), (3g), (3n), (3t), (3w), and (5b) and not passed through by a partnership,
4 limited liability company, or tax-option corporation that has added that amount to
5 the partnership's, limited liability company's, or tax-option corporation's income
6 under s. 71.21 (4) or 71.34 (1) (g) plus the amount of losses from the sale or other
7 disposition of assets the gain from which would be wholly exempt income, as defined
8 in sub. (3) (L), if the assets were sold or otherwise disposed of at a gain and minus
9 deductions, as computed under the Internal Revenue Code as modified under sub.
10 (3), plus or minus, as appropriate, an amount equal to the difference between the
11 federal basis and Wisconsin basis of any asset sold, exchanged, abandoned, or
12 otherwise disposed of in a taxable transaction during the taxable year, except as
13 provided in par. (b) and s. 71.45 (2) and (5).

14 **SECTION 17.** 71.28 (3w) of the statutes is created to read:

15 **71.28 (3w) RURAL ENTERPRISE DEVELOPMENT ZONE JOBS CREDIT.** (a) *Definitions.*

16 In this subsection:

17 1. "Base year" means the taxable year beginning during the calendar year prior
18 to the calendar year in which the rural enterprise development zone in which the
19 claimant is located takes effect.

20 2. "Claimant" means a person who is certified to claim tax benefits under s.
21 560.799 (5) and who files a claim under this subsection.

22 3. "Full-time employee" means an individual who is employed in a regular,
23 nonseasonal job and who, as a condition of employment, is required to work at least
24 2,080 hours per year, including paid leave and holidays.

1 4. "Rural enterprise development zone" means a zone designated under s.
2 560.799.

3 5. "State payroll" means the amount of payroll apportioned to this state, as
4 determined under s. 71.25 (8).

5 6. "Zone payroll" means the amount of state payroll that is attributable to
6 compensation paid to individuals for services that are performed in a rural
7 enterprise development zone or who are working from an office located in a rural
8 enterprise development zone if the work is incidental to any work that the individual
9 performs within the rural enterprise development zone. "Zone payroll" does not
10 include the amount of compensation paid to any individual that exceeds \$100,000.

11 (b) *Filing claims* ^{Zone payroll} Subject to the limitations provided in this subsection and s.
12 560.799, a claimant may claim as a credit against the tax imposed under s. 71.23 an
13 amount calculated as follows:

14 1. Determine the amount that is the lesser of:

15 a. The claimant's zone payroll in the taxable year, minus the claimant's zone
16 payroll in the base year.

17 b. The claimant's state payroll in the taxable year, minus the claimant's state
18 payroll in the base year.

19 2. Subtract the number of full-time employees that the claimant employed in
20 the area that comprises the rural enterprise development zone in the base year from
21 the number of full-time employees that the claimant employed in the rural
22 enterprise development zone in the taxable year.

23 3. Multiply the amount determined under subd. 2., but not an amount less than
24 zero, by \$30,000.

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1 4. Subtract the amount determined under subd. 3. from the amount
2 determined under subd. 1.

3 (c) *Limitations.* 1. If the allowable amount of the claim under this subsection
4 exceeds the taxes otherwise due on the claimant's income under s. 71.23, the amount
5 of the claim that is not used to offset those taxes shall be certified by the department
6 of revenue to the department of administration for payment by check, share draft,
7 or other draft drawn from the appropriation under s. 20.835 (2) (cm).

8 2. Partnerships, limited liability companies, and tax-option corporations may
9 not claim the credit under this subsection, but the eligibility for, and the amount of,
10 the credit are based on their payment of amounts described under par⁵ (b) ^{and (2m)} A
11 partnership, limited liability company, or tax-option corporation shall compute the
12 amount of credit that each of its partners, members, or shareholders may claim and
13 shall provide that information to each of them. Partners, members of limited liability
14 companies, and shareholders of tax-option corporations may claim the credit in
15 proportion to their ownership interests.

16 3. No credit may be allowed under this subsection unless the claimant includes
17 with the claimant's return a copy of the claimant's certification for tax benefits under
18 s. 560.799 (5).

19 (d) *Administration.* Subsection (4) (g) and (h), as it applies to the credit under
20 sub. (4), applies to the credit under this subsection.

21 **SECTION 18.** 71.30 (3) (f) of the statutes is amended to read:

22 71.30 (3) (f) The total of farmers' drought property tax credit under s. 71.28
23 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under
24 s. 71.28 (2m), rural enterprise development zone jobs credit under s. 71.28 (3w), and
25 estimated tax payments under s. 71.29.

1 **SECTION 19.** 71.34 (1) (g) of the statutes is amended to read:

2 71.34 (1) (g) An addition shall be made for credits computed by a tax-option
3 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3), (3g),
4 (3n), (3t), (3w), and (5b) and passed through to shareholders.

5 **SECTION 20.** 71.45 (2) (a) 10. of the statutes is amended to read:

6 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
7 computed under s. 71.47 (1dd) to (1dx), (3n), (3w), and (5b) and not passed through
8 by a partnership, limited liability company, or tax-option corporation that has added
9 that amount to the partnership's, limited liability company's, or tax-option
10 corporation's income under s. 71.21 (4) or 71.34 (1) (g) and the amount of credit
11 computed under s. 71.47 (1), (3), (3t), (4), and (5).

12 **SECTION 21.** 71.47 (3w) of the statutes is created to read:

13 71.47 (3w) RURAL ENTERPRISE DEVELOPMENT ZONE JOBS CREDIT. (a) *Definitions.*

14 In this subsection:

15 1. "Base year" means the taxable year beginning during the calendar year prior
16 to the calendar year in which the rural enterprise development zone in which the
17 claimant is located takes effect.

18 2. "Claimant" means a person who is certified to claim tax benefits under s.
19 560.799 (5) and who files a claim under this subsection.

20 3. "Full-time employee" means an individual who is employed in a regular,
21 nonseasonal job and who, as a condition of employment, is required to work at least
22 2,080 hours per year, including paid leave and holidays.

23 4. "Rural enterprise development zone" means a zone designated under s.
24 560.799.

1 5. “State payroll” means the amount of payroll apportioned to this state, as
2 determined under s. 71.45 (3) (b).

3 6. “Zone payroll” means the amount of state payroll that is attributable to
4 compensation paid to individuals for services that are performed in a rural
5 enterprise development zone or who are working from an office located in a rural
6 enterprise development zone if the work is incidental to any work that the individual
7 performs within the rural enterprise development zone. “Zone payroll” does not
8 include the amount of compensation paid to any individual that exceeds \$100,000.

9 (b) ^{① zone payroll} *Filing claims*. Subject to the limitations provided in this subsection and s.
10 560.799, a claimant may claim as a credit against the tax imposed under s. 71.43 an
11 amount calculated as follows:

12 1. Determine the amount that is the lesser of:

13 a. The claimant’s zone payroll in the taxable year, minus the claimant’s zone
14 payroll in the base year.

15 b. The claimant’s state payroll in the taxable year, minus the claimant’s state
16 payroll in the base year.

17 2. Subtract the number of full-time employees that the claimant employed in
18 the area that comprises the rural enterprise development zone in the base year from
19 the number of full-time employees that the claimant employed in the rural
20 enterprise development zone in the taxable year.

21 3. Multiply the amount determined under subd. 2., but not an amount less than
22 zero, by \$30,000.

23 4. Subtract the amount determined under subd. 3. from the amount
24 determined under subd. 1.

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1 (c) *Limitations.* 1. If the allowable amount of the claim under this subsection
2 exceeds the taxes otherwise due on the claimant's income under s. 71.43, the amount
3 of the claim that is not used to offset those taxes shall be certified by the department
4 of revenue to the department of administration for payment by check, share draft,
5 or other draft drawn from the appropriation under s. 20.835 (2) (cm).

6 2. Partnerships, limited liability companies, and tax-option corporations may
7 not claim the credit under this subsection, but the eligibility for, and the amount of,
8 the credit are based on their payment of amounts described under par⁵ (b)⁶ A ^{and (b)(m)}
9 partnership, limited liability company, or tax-option corporation shall compute the
10 amount of credit that each of its partners, members, or shareholders may claim and
11 shall provide that information to each of them. Partners, members of limited liability
12 companies, and shareholders of tax-option corporations may claim the credit in
13 proportion to their ownership interests.

14 3. No credit may be allowed under this subsection unless the claimant includes
15 with the claimant's return a copy of the claimant's certification for tax benefits under
16 s. 560.799 (5).

17 (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the credit under
18 s. 71.28 (4), applies to the credit under this subsection.

19 **SECTION 22.** 71.49 (1) (f) of the statutes is amended to read:

20 71.49 (1) (f) The total of farmers' drought property tax credit under s. 71.47
21 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under
22 s. 71.47 (2m), rural enterprise development zone jobs credit under s. 71.47 (3w), and
23 estimated tax payments under s. 71.48.

24 ~~SECTION 23. 73.06 (3) of the statutes is amended to read:-~~

1 73.06 (3) The department of revenue, through its supervisors of equalization,
2 shall examine and test the work of assessors during the progress of their assessments
3 and ascertain whether any of them is assessing property at other than full value or
4 is omitting property subject to taxation from the roll. The department and such
5 supervisors shall have the rights and powers of a local assessor for the examination
6 of persons and property and for the discovery of property subject to taxation. If any
7 property has been omitted or not assessed according to law, they shall bring the same
8 to the attention of the local assessor of the proper district and if such local assessor
9 shall neglect or refuse to correct the assessment they shall report the fact to the board
10 of review. If it discovers errors in identifying or valuing property that is exempt
11 under ~~s. ss. 70.11 (39) or (39m) and 70.111 (26)~~, the department shall change the
12 specification of the property as taxable or exempt and shall change the value of the
13 property. All disputes between the department, municipalities and property owners
14 about the taxability or value of property that is reported under s. 79.095 (2) (a) or of
15 the property under s. 70.995 (12r) shall be resolved by using the procedures under
16 s. 70.995 (8).

17 **SECTION 24.** 76.025 (1) of the statutes is amended to read:

18 76.025 (1) The property taxable under s. 76.13 shall include all franchises, and
19 all real and personal property of the company used or employed in the operation of
20 its business, excluding property that is exempt from the property tax under ~~s. ss.~~
21 ~~70.11 (39) or (39m) and 70.111 (26)~~, such motor vehicles as are exempt under s. 70.112
22 (5) and treatment plant and pollution abatement equipment exempt under s. 70.11
23 (21) (a). The taxable property shall include all title and interest of the company
24 referred to in such property as owner, lessee or otherwise, and in case any portion of
25 the property is jointly used by 2 or more companies, the unit assessment shall include

1 and cover a proportionate share of that portion of the property jointly used so that
2 the assessments of the property of all companies having any rights, title or interest
3 of any kind or nature whatsoever in any such property jointly used shall, in the
4 aggregate, include only one total full value of such property.

5 **SECTION 25.** 76.81 of the statutes is amended to read:

6 **76.81 Imposition.** There is imposed a tax on the real property of, and the
7 tangible personal property of, every telephone company, excluding property that is
8 exempt from the property tax under s. ss. 70.11 (39) or (39m) and 70.111 (26), motor
9 vehicles that are exempt under s. 70.112 (5), property that is used less than ~~50%~~ 50
10 percent in the operation of a telephone company, as provided under s. 70.112 (4) (b),
11 and treatment plant and pollution abatement equipment that is exempt under s.
12 70.11 (21) (a). Except as provided in s. 76.815, the rate for the tax imposed on each
13 description of real property and on each item of tangible personal property is the net
14 rate for the prior year for the tax under ch. 70 in the taxing jurisdictions where the
15 description or item is located. The real and tangible personal property of a telephone
16 company shall be assessed as provided under s. 70.112 (4) (b).

17 **SECTION 26.** 77.54 (41) of the statutes is amended to read:

18 **77.54 (41)** The gross receipts from the sale of building materials, supplies and
19 equipment to; and the storage, use or other consumption of those kinds of property
20 by; owners, contractors, subcontractors or builders if that property is acquired solely
21 for or used solely in, the construction, renovation or development of property that
22 would be exempt under s. 70.11 (36) or that will be used by a qualified business in
23 a rural enterprise development zone under s. 560.799.

24 ~~**SECTION 27.** 77.54 (48) of the statutes is created to read:~~

1 77.54 (48) The gross receipts from the sale of and the storage, use, or other
2 consumption of tangible personal property or taxable services that are used or
3 consumed primarily in a rural enterprise development zone under s. 560.799.

4 SECTION 28. 77.92 (4) of the statutes is amended to read:

5 77.92 (4) "Net business income," with respect to a partnership, means taxable
6 income as calculated under section 703 of the Internal Revenue Code; plus the items
7 of income and gain under section 702 of the Internal Revenue Code, including taxable
8 state and municipal bond interest and excluding nontaxable interest income or
9 dividend income from federal government obligations; minus the items of loss and
10 deduction under section 702 of the Internal Revenue Code, except items that are not
11 deductible under s. 71.21; plus guaranteed payments to partners under section 707
12 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),
13 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (3g), (3s), (3n), (3t), (3w), and (5b); and
14 plus or minus, as appropriate, transitional adjustments, depreciation differences,
15 and basis differences under s. 71.05 (13), (15), (16), (17), and (19); but excluding
16 income, gain, loss, and deductions from farming. "Net business income," with respect
17 to a natural person, estate, or trust, means profit from a trade or business for federal
18 income tax purposes and includes net income derived as an employee as defined in
19 section 3121 (d) (3) of the Internal Revenue Code.

20 SECTION 29. 79.03 (3) (b) 3. of the statutes is amended to read:

21 79.03 (3) (b) 3. "Full valuation" means the full value of property that is exempt
22 under s. ss. 70.11 (39) and (39m) and 70.111 (26) as determined under s. 79.095 (3)
23 plus the full value of all taxable property for the preceding year as equalized for state
24 tax purposes, except that for municipalities the value of real estate assessed under
25 s. 70.995 is excluded. Value increments under s. 66.1105 plus the full value of

1 property that is exempt under ~~s. ss. 70.11 (39) and (39m) and 70.111 (26)~~ that would
2 otherwise be part of a value increment are included for municipalities but excluded
3 for counties. Environmental remediation value increments under s. 66.1106 are
4 included for municipalities and counties that create the environmental remediation
5 tax incremental district and are excluded for units of government that do not create
6 the district. If property that had been assessed under s. 70.995 and that has a value
7 exceeding ~~10%~~ 10 percent of a municipality's value is assessed under s. 70.10, ~~30%~~
8 30 percent of that property's full value is included in "full valuation" for purposes of
9 the shared revenue payments in the year after the assessment under s. 70.10, ~~65%~~
10 65 percent of that property's full value is included in "full valuation" for purposes of
11 the shared revenue payments in the year 2 years after the assessment under s. 70.10
12 and ~~100%~~ 100 percent of that property's full value is included in "full valuation" for
13 purposes of subsequent shared revenue payments.

14 **SECTION 30.** 79.095 (2) (a) of the statutes is amended to read:

15 79.095 (2) (a) On or before May 1, the value of the property that is exempt under
16 ~~s. ss. 70.11 (39) and (39m) and 70.111 (26)~~ in each taxing jurisdiction for which the
17 municipality assesses property.

18 **SECTION 31.** 79.095 (3) of the statutes is amended to read:

19 79.095 (3) REVIEW BY DEPARTMENT. The department shall adjust each rate
20 reported under sub. (2) (b) to a full-value rate. The department shall review and
21 correct the information submitted under sub. (2) (a), shall determine the full value
22 of all of the property reported under sub. (2) (a) and of all the property under s. 70.995
23 (12r) and, on or before October 1, shall notify each taxing jurisdiction of the full value
24 of the property that is exempt under ~~s. ss. 70.11 (39) and (39m) and 70.111 (26)~~ and
25 that is located in the jurisdiction. The department shall adjust the full value that

1 is reported to taxing jurisdictions under this subsection in the year after an error
2 occurs or a value has been changed due to an appeal. All disputes between the
3 department and municipalities about the value of the property reported under sub.
4 (2) (a) or of the property under s. 70.995 (12r) shall be resolved by using the
5 procedures under s. 70.995 (8).

6 **SECTION 32.** 79.095 (4) of the statutes is amended to read:

7 79.095 (4) PAYMENT. The department shall calculate the payments due each
8 taxing jurisdiction under this section by multiplying the full value as of the January
9 1 of the preceding year of the property that is exempt under s. ss. 70.11 (39) and (39m)
10 and 70.111 (26) and that is located in the jurisdiction by the full-value gross tax rate
11 of the jurisdiction for the preceding year. The department shall certify the amount
12 of the payment due each taxing jurisdiction to the department of administration,
13 which shall make the payments on or before the first Monday in May.

14 **SECTION 33.** 121.06 (4) of the statutes is amended to read:

15 121.06 (4) For purposes of computing state aid under s. 121.08, equalized
16 valuations calculated under sub. (1) and certified under sub. (2) shall include the full
17 value of property that is exempt under s. ss. 70.11 (39) and (39m) and 70.111 (26) as
18 determined under s. 79.095 (3).

19 **SECTION 34.** 560.799 of the statutes is created to read:

20 **560.799 Rural enterprise development zone. (1) DEFINITIONS.** In this
21 section:

22 (a) "Local governing body" has the meaning given in s. 560.70 (4).

23 (b) "Political subdivision" means a city, village, town, or county.

24 (c) "Tax benefits" means the property tax exemption under s. 70.111 (26), the
25 income tax modifications under s. 71.05 (6) (b) 35. and 36., the income and franchise

(3c), (3e) and
~~and the sales and use tax
exemptions under s. 77.54 (41) and (42).~~

1 tax credits under ss. 71.07 (3w), 71.28 (3w), and 71.47 (3w),
2 ~~and the sales and use tax
exemptions under s. 77.54 (41) and (42).~~

3 (2) APPLICATION; DEVELOPMENT PLAN. (a) The local governing bodies of one or
4 more political subdivisions may apply to the department for designation of an area
5 as a rural enterprise development zone, if the proposed zone includes land within the
6 boundaries of the political subdivision or political subdivisions applying for
7 designation. An application shall include a development plan under par. (b).

8 (b) A development plan shall include all of the following:

9 1. A map of the proposed zone that shows the physical boundaries of the
10 proposed zone, the size of the zone in acres, and the present uses and condition of land
11 and structures in the proposed zone.

12 2. Evidence of support in the proposed zone for the proposed designation,
13 including support from local government, the public, educational institutions, and
14 business groups.

15 3. A description of the applicant's or applicants' goals for, and proposed methods
16 for achieving, increased economic opportunity and expansion, infrastructure
17 improvements, reduced regulatory burdens, and increased job training
18 opportunities in the proposed zone

19 4. A description of current social, economic, and demographic characteristics
20 of the proposed zone and of the anticipated improvements in education, health,
21 human services, and employment that would result from designation as a rural
22 enterprise development zone.

23 5. A description of anticipated economic and other activity in the proposed zone,
24 including industrial uses, commercial or retail uses, and residential uses.

1 6. A proposal as to the time period in which the designation would remain in
2 effect.

3 7. Any additional information required by the department.

4 (3) DESIGNATION OF RURAL ENTERPRISE DEVELOPMENT ZONES; CRITERIA. (a) The
5 department may, upon applications by a political subdivision or political
6 subdivisions, designate not more than 10 rural enterprise development zones. The
7 department may designate an area as a rural enterprise development zone if all of
8 the following apply:

9 1. The area does not exceed 5,000 acres.

10 2. The area does not include any part of a metropolitan community, as defined

11 in s. 66.0201 (2) (c) *city of the first class or a city with a population
12 greater than 200,000*

13 (b) In determining whether to grant an application to designate an area under
14 par. (a), the department shall consider all of the following:

15 1. Indicators of the area's economic need, which may include data regarding
16 household income, average wages, the condition of property, housing values,
17 population decline, job losses, infrastructure and energy support, and the rate of
18 business development.

19 2. Indicators of the likelihood of success in achieving the goals under sub. (2)

20 (b) 3., which may include the strength and viability of the development plan; the level
21 of creativity and innovation reflected in the development plan; the strength of
22 support for the proposal in the proposed zone; the existing resources available to the
23 area; the effect of designation on other initiatives and programs to promote economic
24 and community development in the area, including regional initiatives and
programs; the extent to which designation will ease regulatory burdens; the extent

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CTS 22-3

1 to which the development plan links job creation and job training; and the extent to
2 which the development plan focuses on creating high-paying jobs.

3 (4) TIME LIMITS; REPORTING. (a) A designation under sub. (3) may remain in
4 effect for no more than 12 years.

5 (b) If the department designates an area as a rural enterprise development
6 zone under sub. (3), the governing bodies of the political subdivision or political
7 subdivisions that applied for designation shall, during the time that the designation
8 is in effect, annually submit a report to the department, in a form and at a time
9 prescribed by the department, describing the political subdivision's or political
10 subdivisions' progress in meeting the goals contained in the development plan under
11 sub. (2) (b) 3., and any additional information required by the department.

body or (X)

12 (5) CERTIFICATION. The department may certify for tax benefits any of the
13 following:

14 (a) A business that begins operations in a rural enterprise development zone.

15 (b) A business that relocates to a rural enterprise development zone from
16 outside this state.

17 (c) A business that relocates to a rural enterprise development zone from
18 another location in this state, but only if any of the following apply:

10

19 1. The business will increase the number of full-time employees employed in
20 the rural enterprise development zone by at least 10 percent, and the business enters
21 into an agreement with the department to claim tax benefits only for years during
22 which the business maintains the increased level of employment.

23 2. The business makes a capital investment in property located in the rural
24 enterprise development zone and the value of the capital investment is equal to at
25 least 10 percent of the business's gross revenues in the preceding tax year, and the

1 business enters into an agreement with the department to claim tax benefits only for
2 years during which the business maintains the increased level of capital investment.

3 (6) OTHER DUTIES. (a) The department of commerce shall notify the department
4 of revenue when the department of commerce certifies a business to receive tax
5 benefits.

6 (b) The department shall revoke a certification under sub. (5) if the business
7 does any of the following:

- 8 1. Supplies false or misleading information to obtain tax benefits.
- 9 2. Leaves the rural enterprise development zone to conduct substantially the
10 same business outside of the rural enterprise development zone.

- 11 3. Ceases operations in the rural enterprise development zone and does not
12 renew operation of the business or a similar business in the rural enterprise
13 development zone within 12 months.

14 (c) The department of commerce shall notify the department of revenue within
15 30 days of a revocation under par. (b).

16 (d) The department may require a business to repay any tax benefits the
17 business claims for a year in which the business failed to maintain employment or
18 capital investment levels required by an agreement under sub. (5) (c).

19 (e) The department annually shall verify information submitted to the
20 department under ~~§ 71.07 (3w), 71.28 (3w), or 71.47 (3w).~~ ^{71.07 (3c), 71.28 (3e), or}

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fix
comp.

SECTION 35. Nonstatutory provisions.

② *limited applicability*
③ *tax credits*

21 (1) INDIVIDUAL INCOME TAX, CAPITAL GAINS EXEMPTIONS. The treatment of section
22 71.05 (6) (b) 35, and 36 ^{71.07 (3c) and (3e)} of the statutes first applies to taxable years beginning on
23 January 1 of the year in which this subsection takes effect, except that if this
24 subsection takes effect after July 31 the treatment of section 71.05 (6) (b) 35, and 36,
25 ^{71.07 (3c) and (3e)}

1 of the statutes first applies to taxable years beginning on January 1 of the year
2 following the year in which this subsection takes effect.

3

(END)

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FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1297/P1insMES
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INS ANL-MES

This bill creates two nonrefundable individual income tax credits, under which the allowable credit is limited to the taxpayer's income tax liability. Under the rural enterprise development income credit, an individual who owns or operates a trade or business in a rural enterprise development zone may claim a credit equal to an amount obtained by multiplying 20 percent of the income the individual derives from the operation of his or her trade or business in the rural enterprise development zone by 6.5 percent. The credit is prorated if the claimant, or the claimant's spouse, is not a full-year resident of this state. (A)

Under the rural enterprise development capital gains credit, an individual may claim a credit based on capital gains derived from the sale or exchange of property, both real property and property other than real property, that is used by a rural enterprise development business that is certified by the department of commerce. Under current law, there is an income tax exclusion for individuals and shareholders of tax-option corporations for 60 percent of the net long-term capital gains realized from the sale of assets held for at least one year. Under this bill, a claimant of the capital gains credit may claim an amount equal to the amount of capital gains that is not currently excluded, multiplied by 6.5 percent. The credit is prorated if the property is also held by the claimant during a period when the rural development zone was not certified by the department of commerce. The credit is also prorated if the claimant, or the claimant's spouse, is not a full-year resident of this state.

INSERT 7-15 5-10 (K)

SECTION ~~71.07~~ 71.07 (3c) of the statutes is created to read:

71.07 (3c) RURAL ENTERPRISE DEVELOPMENT INCOME CREDIT. (a) *Definitions*. In this subsection:

1. "Claimant" means an individual who owns or operates a trade or business in a rural enterprise development zone.

2. "Rural enterprise development zone" has the meaning given in s. 71.07 (3w) (a) 4.

(b) *Filing claims*. Subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, an amount obtained by multiplying 20 percent of the income

that the individual derives from the operation of his or her trade or business in ^athe rural enterprise development zone by 6.5 percent.

(c) *Limitations.* 1. No credit may be allowed under this subsection unless it is claimed within the time period under s. 71.75 (2). ✓

2. For a claimant who is a nonresident or part-year resident of this state and who is a single person or a married person filing a separate return, multiply the credit for which the claimant is eligible under par. (b) by a fraction the numerator of which is the individual's Wisconsin adjusted gross income and the denominator of which is the individual's federal adjusted gross income. If a claimant is married and files a joint return, and if the claimant or the claimant's spouse, or both, are nonresidents or part-year residents of this state, multiply the credit for which the claimant is eligible under par. (b) by a fraction the numerator of which is the couple's joint Wisconsin adjusted gross income and the denominator of which is the couple's joint federal adjusted gross income.

(d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection. ✓

SECTION ~~2~~ 71.07 (3e) of the statutes is created to read:

71.07 (3e) RURAL ENTERPRISE DEVELOPMENT CAPITAL GAINS CREDIT. (a)

Definitions. In this subsection:

1. "Claimant" means an individual ^{who} files a claim under this subsection. ^
2. "Property gain" means the gain derived from the sale or exchange of property, other than real property, that is used by a certified business under s. 560.799 (5). ✓
3. "Real property gain" means the gain derived from the sale or exchange of real property that is located in a rural enterprise development zone and used by a certified business under s. 560.799 (5). ✓

4. "Rural enterprise development zone" has the meaning given in s. 71.07 (3w)
(a) 4. ✓

(b) *Filing claims.* Subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, all of the following:

1. An amount obtained by multiplying the amount of property gain that is not
* excluded under s. 71.05 (6) (b) 9. ✓ by 6.5 percent.

2. An amount obtained by multiplying the amount of real property gain that
* is not excluded under s. 71.05 (6) (b) 9. ✓ by 6.5 percent.

(c) *Limitations.* 1. No credit may be allowed under this subsection unless it
is claimed within the time period under s. 71.75 (2). ✓

2. If the property to which the claim relates was held by the claimant during
^ a period when the rural enterprise development zone was not designated, the gain
subject to the credit under par. (b) ✓ must be multiplied by a fraction, the numerator
of which is the number of days that the property was held by the claimant ✓
^ during the period the zone designation was in effect and the denominator of which is the total
number of days that the property was held by the claimant. ✓
^ the claimant held

3. For a claimant who is a nonresident or part-year resident of this state and
who is a single person or a married person filing a separate return, multiply the
credit for which the claimant is eligible under par. (b) ✓, or the credit for which the
claimant is eligible under par. (b) ✓ as modified by subd. 2., ✓ if applicable, by a fraction
the numerator of which is the individual's Wisconsin adjusted gross income and the
denominator of which is the individual's federal adjusted gross income. If a claimant
is married and files a joint return, and if the claimant or the claimant's spouse, or
both, are nonresidents or part-year residents of this state, multiply the credit for

which the claimant is eligible under par. (b), or the credit for which the claimant is eligible under par. (b) as modified by subd. 2., if applicable, by a fraction the numerator of which is the couple's joint Wisconsin adjusted gross income and the denominator of which is the couple's joint federal adjusted gross income.

(d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

INSERT 8-1

SECTION 3 71.10 (4) (ce) of the statutes is created to read:

71.10 (4) (ce) The rural enterprise development income credit under s. 71.07 (3c).

SECTION 4 71.10 (4) (cf) of the statutes is created to read:

71.10 (4) (cf) The rural enterprise development capital gains credit under s. 71.07 (3e).

2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1297/P2insCT
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¹⁸ This bill authorizes the department of commerce (department) to designate up to ¹⁰ rural enterprise development zones (zones), upon applications by political subdivisions. A zone may be no larger than 5,000 acres, and may not include any part of a city of the first class or a city with a population greater than 200,000. A political subdivision may apply for designation of a zone that includes land within that political subdivision by submitting a development plan. A development plan must contain certain information, including: 1) a map of the proposed zone; 2) evidence of support in the proposed zone from local government, the public, and business groups; 3) a description of the applicant's goals and methods for increasing economic opportunity and expansion, improving infrastructure, reducing regulatory burdens, and increasing job training opportunities; and 4) anticipated economic activity in the proposed zone.

In selecting areas for zone designation, the department must consider indicators of the areas' economic need and likelihood of success. The department must give preference to applications that propose designation of zones with the lowest population density and greatest economic need. A zone designation may remain in effect for no more than 12 years.

⁹ The department may certify a business to receive certain tax benefits, described below, if the business begins operations in a zone or relocates to a zone from outside the state. The department may also certify a business that relocates to a zone from elsewhere in the state, but only if the business will increase its full-time employees in the zone by at least 10 percent or will make a capital investment in property in the zone equal to at least 10 percent of the business's gross revenues in the preceding year.

Insert CTS 22-3

(c) The department shall, to the extent possible, give preference to applications in which the areas proposed for designation have the lowest population densities and have, according to the indicators under par. (b) 1., [✓] the greatest economic need.

Insert An1-JK

The bill also creates refundable income and franchise tax credits for businesses located in a rural enterprise development zone. A taxpayer may claim credits based on the amount that the taxpayer pays to employees in the rural enterprise development zone. In addition, the taxpayer may also claim a credits equal to the amount of property taxes the taxpayer paid on his or her personal property located in a rural enterprise development zone or the amount of sales and use taxes the taxpayer paid to purchase tangible personal property or taxable services that are used or consumed primarily in a rural enterprise development zone.

Insert 6 - 22

1 ^{Ⓢ Supplemental} (bm) ~~Filing claims/property~~ In addition to the credit under par. (b) and subject
2 to the limitations provided in this subsection and s. 560.799, a claimant may claim
3 as a credit against the tax imposed under s. 71.02 an amount equal to all of the
4 following:

5 1. The amount of the property taxes that the claimant paid in the taxable year
6 for the claimant's personal property that is located in a rural enterprise development
7 zone.

8 2. The amount of taxes imposed under subch. III of ch. 77 that the claimant paid
9 in the taxable year on the purchase of tangible personal property and taxable
10 services that are used or consumed primarily in a rural enterprise development zone.

11 3. If all of the claimant's payroll is zone payroll and all of the claimant's
12 business-related property is located in a rural enterprise development zone, 20
13 percent of the sum of the claimant's zone payroll in the taxable year and the adjusted
14 basis of the claimant's property at the time that the property is first placed in service
15 in the rural enterprise development zone.

Insert 11 - 2

16 ^{Ⓢ Supplemental} (bm) ~~Filing claims/property~~ In addition to the credit under par. (b) and subject
17 to the limitations provided in this subsection and s. 560.799, a claimant may claim

1 as a credit against the tax imposed under s. 71.23[✓] an amount equal to all of the
2 following:

3 1. The amount of the property taxes that the claimant paid in the taxable year
4 for the claimant's personal property that is located in a rural enterprise development
5 zone.

6 2. The amount of taxes imposed under subch. III of ch. 77[✓] that the claimant paid
7 in the taxable year on the purchase of tangible personal property and taxable
8 services that are used or consumed primarily in a rural enterprise development zone.

9 3. If all of the claimant's payroll is zone payroll and all of the claimant's
10 business-related property is located in a rural enterprise development zone, 20
11 percent of the sum of the claimant's zone payroll in the taxable year and the adjusted
12 basis of the claimant's property at the time that the property is first placed in service
13 in the rural enterprise development zone.

Insert 13 - 24

14 (bm) ^{Supplemental} ~~Filing claims/property~~ In addition to the credit under par. (b)[✓] and subject
15 to the limitations provided in this subsection and s. 560.799[✓], a claimant may claim
16 as a credit against the tax imposed under s. 71.43[✓] an amount equal to all of the
17 following:

18 1. The amount of the property taxes that the claimant paid in the taxable year
19 for the claimant's personal property that is located in a rural enterprise development
20 zone.

21 2. The amount of taxes imposed under subch. III of ch. 77[✓] that the claimant paid
22 in the taxable year on the purchase of tangible personal property and taxable
23 services that are used or consumed primarily in a rural enterprise development zone.

1 3. If all of the claimant's payroll is zone payroll and all of the claimant's
 2 business-related property is located in a rural enterprise development zone, 20
 3 percent of the sum of the claimant's zone payroll in the taxable year and the adjusted
 4 basis of the claimant's property at the time that the property is first placed in service
 5 in the rural enterprise development zone.

²⁴⁻²
Insert 13-24
 (CS) CORPORATE ^
 (END INSERT 13-24)

6 (2) ~~PAYROLL AND PROPERTY~~ INCOME AND FRANCHISE TAX CREDITS. The treatment of
 7 sections 71.07 (3w), 71.28 (3w), and 71.47 (3w) of the statutes first applies to taxable
 8 years beginning on January 1 of the year in which this subsection takes effect, except
 9 that ^{if} ~~is~~ this subsection takes effect after July 31 the treatment of sections 71.07 (3w),
 10 71.28 (3w), and 71.47 (3w) of the statutes first applies to taxable years beginning on
 11 January 1 of the year following the year in which this subsection takes effect.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1297/P2dn
JK/MES/CTS:l:....

WJ

Representative Suder:

This is a redraft of LRB-1297/P1, incorporating your instructions from our February 16 meeting. Because this version eliminates the property tax component contained in the previous version, the Uniformity Clause is no longer an issue. Please call me if you have any questions.

Christopher T. Sundberg
Legislative Attorney
Phone: (608) 266-9739
E-mail: christopher.sundberg@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1297/P2dn
CTS:wlj:jf

February 23, 2005

Representative Suder:

This is a redraft of LRB-1297/P1, incorporating your instructions from our February 16 meeting. Because this version eliminates the property tax component contained in the previous version, the Uniformity Clause is no longer an issue. Please call me if you have any questions.

Christopher T. Sundberg
Legislative Attorney
Phone: (608) 266-9739
E-mail: christopher.sundberg@legis.state.wi.us

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CRB 1297 redraft:

Strike "education" p. 19 (a. 4)