



State of Wisconsin

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STEPHEN R. MILLER
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July 30 , 2009

MEMORANDUM

To: Larry Konopacki, Legislative Council
Scott Grosz, Legislative Council

From: Aaron Gary, Sr. Legislative Attorney, (608) 261-6926
Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263
Marc Shovers, Managing Attorney, (608) 266-0129

Subject: Technical Memorandum to **2009 AB 282** (LRB-2839/1) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

July 8, 2009

TO: Aaron Gary, Legislative Attorney
Joseph Kreye, Senior Attorney
Legislative Reference Bureau

FROM: Paul Ziegler
Department of Revenue

SUBJECT: Technical Memorandum on AB 282 relating to Regional Transit Authorities

The Department of Revenue recommends several changes to the bill to allow the state to be in compliance with the Streamlined Sales and Use Tax Agreement and allow the Department of Revenue adequate time to notify affected taxpayers.

These changes are as follows:

1. Require that section 66.1039 (4) (s) 2., as created by 2009 Wis. Act 28, apply to any RTAs created under the bill. This provision, adopted as part of the RTA language in the 2009-11 budget bill, requires that DOR be given sufficient information on the geographic boundaries of an RTA and addresses within an RTA to allow the tax to be collected if the jurisdictional area of the RTA does not follow county boundaries at any time.
2. Amend section 66.1039(2)(c)10 to ensure that a uniform tax rate is applied throughout an entire RTA. While this section requires uniformity of an RTA tax rate with respect to "all cities, villages, and towns within the authority's jurisdictional area **that are within the same county.**" (Emphasis added), it appears to allow a multi-county RTA to adopt different tax rates in each county. Since Section 308 of the Streamlined Sales and Use Tax Agreement (SSUTA) prohibits a local jurisdiction that imposes a sales and use tax from having more than one sales and use tax rate per jurisdiction, this construct would violate the SSUTA. This concern could be corrected by striking the words "that are within the same county" so that the same rate would apply to the entire jurisdictional area of the regional transit authority.

If you have any questions regarding this technical memorandum, please contact me at 266-5773.