

2009 DRAFTING REQUEST

Bill

Received: **12/10/2008**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Hynek**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Property - credits**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Hynek, BB0253 -

Topic:

First dollar credit distribution

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>
/P1	jkreye 12/10/2008	jdyer 12/11/2008	jfrantze 12/11/2008	_____	lparisi 12/11/2008		S&L
	jkreye 01/28/2009	kfollett 01/28/2009		_____			
/P2			mduchek 01/28/2009	_____	mbarman 01/28/2009		S&L

FE Sent For:

<END>

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/P1	jkreye 12/10/2008	jdyer 12/11/2008	jfrantze 12/11/2008	_____	lparisi 12/11/2008		S&L

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1/28
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/P1	jkreye	/P1 12/10 jld	Jo 12/11	Jo/ph 12/11			

FE Sent For:

<END>

1091/81

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: First Dollar Credit Distribution
- Tracking Code: BB0253
- SBO team: Tax, Transportation and Budget Development
- SBO analyst: Sara Hynek
 - Phone: 266-1923
 - Email: sara.hynek@wisconsin.gov
- Agency acronym: DOR/Shared Revenue
- Agency number: 566/835
- Priority (Low, Medium, High): Medium

Intent: Provide that the state's first dollar credit payment be made to counties rather than municipalities. This change is similar to changes enacted in 2007 Wisconsin Act 190 relating to the distribution of the school levy tax credit and the lottery credit.
Affected statute sections: 79.10(7m)(cm).

Additionally, amend s. 79.10(7m)(a) and (b) to fix duplicative paragraphs.



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1091/P1

JK:.....

Jld

DOA:.....Hynek, BB0253 - First dollar credit distribution ✓

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

in 12-10-08

X

do not gen ✓

1

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION ✓

PROPERTY TAXATION ✓

Under current law, the total amount of the school levy and lottery and gaming property tax credits is distributed to counties. The counties then distribute the amounts that they receive to the municipalities located in the counties. A municipality, however, may receive its share of the school levy and lottery and gaming credits directly from the state if the total amount of such credits due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments. Under current law, the total amount of the first dollar property tax credit is distributed to the municipalities. The first dollar credit is applied then to every parcel of real property with improvements located in a municipality.

* Under this bill, the amount of the first dollar credit is distributed to counties and the counties distribute the amounts that they receive to the municipalities located in the counties. A municipality, however, may receive its share of the first dollar credit directly from the state if the total amount of that credit plus the school levy and lottery and gaming credits that is due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments.

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:

1 ^{cm} _{or (cm)} SECTION 1. 79.10 (2) (a) ^X of the statutes is amended to read:

2 79.10 (2) (a) On or before December 1 of the year preceding the distribution
3 under sub. (7m) (a), the department of revenue shall notify the clerk of each town,
4 village and city of the estimated fair market value, as determined under sub. (11) (c),
5 to be used to calculate the lottery and gaming credit under sub. (5) and of the amount
6 to be distributed to it under sub. (7m) (a) [✓] on the following 4th Monday in July [✓] or (cm).
7 The anticipated receipt of such distribution shall not be taken into consideration in
8 determining the tax rate of the municipality but shall be applied as tax credits.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 29 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

9 ^{cm} _{or (cm)} SECTION 2. 79.10 (2) (b) of the statutes is amended to read:

10 79.10 (2) (b) On or before December 1 of the year preceding the distribution
11 under sub. (7m) (c), the department of revenue shall notify the clerk of each town,
12 village, and city of the estimated fair market value, as determined under sub. (11)
13 (d), used to calculate the first dollar credit under sub. (5m) and of the amount to be
14 distributed to it under sub. (7m) (c) [✓] on the following 4th Monday in July [✓] or (cm). The
15 anticipated receipt of such distribution shall not be taken into consideration in
16 determining the tax rate of the municipality but shall be applied as tax credits.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

17 SECTION 3. 79.10 (7m) (a) 1. of the statutes is amended to read:

1 79.10 (7m) (a) 1. Except as provided in ^{plain} ~~par. (e)~~ (par.) (cm), the amount
 2 determined under sub. (4) shall be distributed by the department of administration
 3 to the counties on the 4th Monday in July.

NOTE: NOTE: The correct cross-reference is shown in brackets. Corrective legislation is pending. NOTE:

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

4 SECTION 4. 79.10 (7m) (a) 2. of the statutes is amended to read:

5 79.10 (7m) (a) 2. Except as provided in ^{plain} ~~par. (e)~~ (par.) (cm), the county treasurer
 6 shall settle for the amounts distributed under this paragraph on the 4th Monday in
 7 July with each municipality and taxing jurisdiction in the county not later than
 8 August 20. Failure to settle timely under this subdivision subjects the county
 9 treasurer to the penalties under s. 74.31.

NOTE: NOTE: The correct cross-reference is shown in brackets. Corrective legislation is pending. NOTE:

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

10 SECTION 5. 79.10 (7m) (b) 1. of the statutes is amended to read:

11 79.10 (7m) (b) 1. Except as provided in ^{plain} ~~par. (e)~~ (par.) (cm), the amount
 12 determined under sub. (5) with respect to claims filed for which the municipality has
 13 furnished notice under sub. (1m) by March 1 shall be distributed from the
 14 appropriation under s. 20.835 (3) (q) by the department of administration to the
 15 county in which the municipality is located on the 4th Monday in March.

NOTE: NOTE: The correct cross-reference is shown in brackets. Corrective legislation is pending. NOTE:

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

16 SECTION 6. 79.10 (7m) (b) 2. of the statutes is amended to read:

17 79.10 (7m) (b) 2. Except as provided in ^{plain} ~~par. (e)~~ (par.) (cm), the county treasurer
 18 shall settle for the amounts distributed on the 4th Monday in March under this
 19 paragraph with each taxation district and each taxing jurisdiction within the
 20 taxation district not later than April 15. Failure to settle timely under this
 21 subdivision subjects the county treasurer to the penalties under s. 74.31.

1 NOTE: NOTE: NOTE: The correct cross-reference is shown in brackets. Corrective legislation is pending. NOTE:

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1972 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

2 SECTION 7. 79.10 (7m) (c) 1. of the statutes is amended to read:

3 79.10 (7m) (c) 1. The Except as provided in par. (cm), the amount determined
4 under sub. (5m) shall be distributed from the appropriation under s. 20.835 (3) (b)
5 by the department of administration to the counties on the 4th Monday in July.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

6 SECTION 8. 79.10 (7m) (c) 2. of the statutes is amended to read:

7 79.10 (7m) (c) 2. ~~The town, village, or city~~ Except as provided in par. (cm), the
8 county treasurer shall settle for the amounts distributed on the 4th Monday in July
9 under this paragraph with ~~the appropriate~~ each municipality and taxing jurisdiction
10 in the county treasurer not later than August 15 20. Failure to settle timely under
11 this subdivision subjects ~~the town, village, or city~~ county treasurer to the penalties
12 under s. 74.31. ~~On or before August 20, the county treasurer shall settle with each~~
13 ~~taxing jurisdiction, including towns, villages, and cities except 1st class cities, in the~~
14 county.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

15 SECTION 9. 79.10 (7m) (cm) 1. a. of the statutes is amended to read:

16 79.10 (7m) (cm) 1. a. If, in any year, the total of the amounts determined under
17 subs. (4) ~~and, (5), and (5m)~~ for any municipality is \$3,000,000 or more, the
18 municipality, with the approval of the majority of the members of the municipality's
19 governing body, may notify the department of administration to distribute the
20 amounts directly to the municipality and the department of administration shall

1 distribute the amounts at the time and in the manner provided under pars. (a) 1. and,
2 (b) 1., and (c) 1. ✓

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

3 **SECTION 10.** 79.10 (7m) (cm) 1. b. of the statutes is amended to read:

4 79.10 (7m) (cm) 1. b. The treasurer of the municipality shall settle for the
5 amounts distributed under ~~par.~~ pars. (a) 1. and (c) 1. ✓ on the 4th Monday in July with
6 the appropriate county treasurer not later than August 15. Failure to settle timely
7 under this subdivision subjects the treasurer of the municipality to the penalties
8 under s. 74.31. On or before August 20, the county treasurer shall settle with each
9 taxing jurisdiction, including towns, villages, and cities, except 1st class cities, in the
10 county.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

11 **SECTION 11.** 79.10 (7m) (cm) 2. a. of the statutes is amended to read:

12 79.10 (7m) (cm) 2. a. The department of administration shall distribute the
13 amounts determined under subs. (4) and, (5), and (5m) ✓ directly to any municipality
14 that enacts an ordinance under s. 74.12 at the time and in the manner provided
15 under pars. (a) 1. and, (b) 1., and (c) 1. ✓

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

16 **SECTION 12.** 79.10 (7m) (cm) 2. b. of the statutes is amended to read:

17 79.10 (7m) (cm) 2. b. The treasurer of the municipality shall settle for the
18 amounts distributed under ~~par.~~ pars. (a) 1. and (c) 1. ✓ on the 4th Monday in July with
19 the appropriate county treasurer not later than August 15. Failure to settle timely
20 under this subdivision subjects the treasurer of the municipality to the penalties
21 under s. 74.31. On or before August 20, the county treasurer shall settle with each

1 taxing jurisdiction, including towns, villages, and cities, except 1st class cities, in the
2 county.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20, 190; s. 13.92 (1) (bm) 2.

3 **SECTION 9343. Initial applicability; Revenue.**

4 (1) FIRST DOLLAR CREDIT DISTRIBUTION. The treatment of sections 79.10 (2) (a)
5 and (b) and (79.10) (7m) (a) 1. and 2., (b) 1. and 2., (c) 1. and 2., and (cm) 1. a. and b.
6 and 2. a. and b. of the statutes first applies to distributions in 2009.

7 (END)

Kreye, Joseph

From: Hynek, Sara - DOA [Sara.Hynek@Wisconsin.gov]
Sent: Wednesday, January 28, 2009 12:50 PM
To: Kreye, Joseph
Subject: FW: LRB Draft: 09-1091/P1 First dollar credit distribution
Attachments: 09-1091/P1.pdf

Hi Joe – can we make this first applicable to payments made in CY10? Thanks!

Sara Hynek
Dept. of Administration
608-266-1923

From: Frantzen, Jean [mailto:Jean.Frantzen@legis.wisconsin.gov]
Sent: Thursday, December 11, 2008 1:57 PM
To: Hynek, Sara - DOA
Cc: Grinde, Kirsten - DOA; Hanaman, Cathlene - LEGIS; Beadles, Kathleen - DOA
Subject: LRB Draft: 09-1091/P1 First dollar credit distribution

Following is the PDF version of draft 09-1091/P1.



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1091/P1

JK:jld:jf

stays
RM/str

DOA:.....Hynek, BB0253 - First dollar credit distribution

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

in 1-28-09

Don + Gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

PROPERTY TAXATION

Under current law, the total amount of the school levy and lottery and gaming property tax credits is distributed to counties. The counties then distribute the amounts that they receive to the municipalities located in the counties. A municipality, however, may receive its share of the school levy and lottery and gaming credits directly from the state if the total amount of such credits due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments. Under current law, the total amount of the first dollar property tax credit is distributed to the municipalities. The first dollar credit is applied then to every parcel of real property with improvements located in a municipality.

Under this bill, the amount of the first dollar credit is distributed to counties and the counties distribute the amounts that they receive to the municipalities located in the counties. A municipality, however, may receive its share of the first dollar credit directly from the state if the total amount of that credit plus the school levy and lottery and gaming credits that is due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments.

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:

1 **SECTION 1.** 79.10 (2) (a) of the statutes is amended to read:

2 79.10 (2) (a) On or before December 1 of the year preceding the distribution
3 under sub. (7m) (a) or (cm), the department of revenue shall notify the clerk of each
4 town, village and city of the estimated fair market value, as determined under sub.
5 (11) (c), to be used to calculate the lottery and gaming credit under sub. (5) and of the
6 amount to be distributed to it under sub. (7m) (a) ~~on the following 4th Monday in July~~
7 or (cm). The anticipated receipt of such distribution shall not be taken into
8 consideration in determining the tax rate of the municipality but shall be applied as
9 tax credits.

10 **SECTION 2.** 79.10 (2) (b) of the statutes is amended to read:

11 79.10 (2) (b) On or before December 1 of the year preceding the distribution
12 under sub. (7m) (c) or (cm), the department of revenue shall notify the clerk of each
13 town, village, and city of the estimated fair market value, as determined under sub.
14 (11) (d), used to calculate the first dollar credit under sub. (5m) and of the amount
15 to be distributed to it under sub. (7m) (c) ~~on the following 4th Monday in July~~ or (cm).
16 The anticipated receipt of such distribution shall not be taken into consideration in
17 determining the tax rate of the municipality but shall be applied as tax credits.

18 **SECTION 3.** 79.10 (7m) (a) 1. of the statutes is amended to read:

19 79.10 (7m) (a) 1. Except as provided in par. (e) (cm), the amount determined
20 under sub. (4) shall be distributed by the department of administration to the
21 counties on the 4th Monday in July.

1 **SECTION 4.** 79.10 (7m) (a) 2. of the statutes is amended to read:

2 79.10 (7m) (a) 2. Except as provided in par. (e) (cm), the county treasurer shall
3 settle for the amounts distributed under this paragraph on the 4th Monday in July
4 with each municipality and taxing jurisdiction in the county not later than August
5 20. Failure to settle timely under this subdivision subjects the county treasurer to
6 the penalties under s. 74.31.

7 **SECTION 5.** 79.10 (7m) (b) 1. of the statutes is amended to read:

8 79.10 (7m) (b) 1. Except as provided in par. (e) (cm), the amount determined
9 under sub. (5) with respect to claims filed for which the municipality has furnished
10 notice under sub. (1m) by March 1 shall be distributed from the appropriation under
11 s. 20.835 (3) (q) by the department of administration to the county in which the
12 municipality is located on the 4th Monday in March.

13 **SECTION 6.** 79.10 (7m) (b) 2. of the statutes is amended to read:

14 79.10 (7m) (b) 2. Except as provided in par. (e) (cm), the county treasurer shall
15 settle for the amounts distributed on the 4th Monday in March under this paragraph
16 with each taxation district and each taxing jurisdiction within the taxation district
17 not later than April 15. Failure to settle timely under this subdivision subjects the
18 county treasurer to the penalties under s. 74.31.

19 **SECTION 7.** 79.10 (7m) (c) 1. of the statutes is amended to read:

20 79.10 (7m) (c) 1. ~~The~~ Except as provided in par. (cm), the amount determined
21 under sub. (5m) shall be distributed from the appropriation under s. 20.835 (3) (b)
22 by the department of administration to the counties on the 4th Monday in July.

23 **SECTION 8.** 79.10 (7m) (c) 2. of the statutes is amended to read:

24 79.10 (7m) (c) 2. ~~The town, village, or city~~ Except as provided in par. (cm), the
25 county treasurer shall settle for the amounts distributed on the 4th Monday in July

1 under this paragraph with ~~the appropriate~~ each municipality and taxing jurisdiction
2 in the county treasurer not later than August 15 ~~20~~. Failure to settle timely under
3 this subdivision subjects the ~~town, village, or city~~ county treasurer to the penalties
4 under s. 74.31. ~~On or before August 20, the county treasurer shall settle with each~~
5 ~~taxing jurisdiction, including towns, villages, and cities except 1st class cities, in the~~
6 ~~county.~~

7 **SECTION 9.** 79.10 (7m) (cm) 1. a. of the statutes is amended to read:

8 79.10 (**7m**) (cm) 1. a. If, in any year, the total of the amounts determined under
9 subs. (4) ~~and~~, (5), and (5m) for any municipality is \$3,000,000 or more, the
10 municipality, with the approval of the majority of the members of the municipality's
11 governing body, may notify the department of administration to distribute the
12 amounts directly to the municipality and the department of administration shall
13 distribute the amounts at the time and in the manner provided under pars. (a) 1. ~~and~~,
14 (b) 1., and (c) 1.

15 **SECTION 10.** 79.10 (7m) (cm) 1. b. of the statutes is amended to read:

16 79.10 (**7m**) (cm) 1. b. The treasurer of the municipality shall settle for the
17 amounts distributed under ~~par.~~ pars. (a) 1. and (c) 1. on the 4th Monday in July with
18 the appropriate county treasurer not later than August 15. Failure to settle timely
19 under this subdivision subjects the treasurer of the municipality to the penalties
20 under s. 74.31. On or before August 20, the county treasurer shall settle with each
21 taxing jurisdiction, including towns, villages, and cities, except 1st class cities, in the
22 county.

23 **SECTION 11.** 79.10 (7m) (cm) 2. a. of the statutes is amended to read:

24 79.10 (**7m**) (cm) 2. a. The department of administration shall distribute the
25 amounts determined under subs. (4) ~~and~~, (5), and (5m) directly to any municipality

1 that enacts an ordinance under s. 74.12 at the time and in the manner provided
2 under pars. (a) 1. ~~and~~, (b) 1., and (c) 1.

3 **SECTION 12.** 79.10 (7m) (cm) 2. b. of the statutes is amended to read:

4 79.10 (7m) (cm) 2. b. The treasurer of the municipality shall settle for the
5 amounts distributed under ~~par.~~ pars. (a) 1. and (c) 1. on the 4th Monday in July with
6 the appropriate county treasurer not later than August 15. Failure to settle timely
7 under this subdivision subjects the treasurer of the municipality to the penalties
8 under s. 74.31. On or before August 20, the county treasurer shall settle with each
9 taxing jurisdiction, including towns, villages, and cities, except 1st class cities, in the
10 county.

11 **SECTION 9343. Initial applicability; Revenue.**

12 (1) FIRST DOLLAR CREDIT DISTRIBUTION. The treatment of section 79.10 (2) (a) and
13 (b) and (7m) (a) 1. and 2., (b) 1. and 2., (c) 1. and 2., and (cm) 1. a. and b. and 2. a. and
14 b. of the statutes first applies to distributions in 2009.

15 (END)

2010



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1091/P2

JK:jld:md

DOA:.....Hynek, BB0253 - First dollar credit distribution

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

PROPERTY TAXATION

Under current law, the total amount of the school levy and lottery and gaming property tax credits is distributed to counties. The counties then distribute the amounts that they receive to the municipalities located in the counties. A municipality, however, may receive its share of the school levy and lottery and gaming credits directly from the state if the total amount of such credits due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments. Under current law, the total amount of the first dollar property tax credit is distributed to the municipalities. The first dollar credit is applied then to every parcel of real property with improvements located in a municipality.

Under this bill, the amount of the first dollar credit is distributed to counties and the counties distribute the amounts that they receive to the municipalities located in the counties. A municipality, however, may receive its share of the first dollar credit directly from the state if the total amount of that credit plus the school levy and lottery and gaming credits that is due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments.

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:

1 **SECTION 1.** 79.10 (2) (a) of the statutes is amended to read:

2 79.10 (2) (a) On or before December 1 of the year preceding the distribution
3 under sub. (7m) (a) or (cm), the department of revenue shall notify the clerk of each
4 town, village and city of the estimated fair market value, as determined under sub.
5 (11) (c), to be used to calculate the lottery and gaming credit under sub. (5) and of the
6 amount to be distributed to it under sub. (7m) (a) ~~on the following 4th Monday in July~~
7 or (cm). The anticipated receipt of such distribution shall not be taken into
8 consideration in determining the tax rate of the municipality but shall be applied as
9 tax credits.

10 **SECTION 2.** 79.10 (2) (b) of the statutes is amended to read:

11 79.10 (2) (b) On or before December 1 of the year preceding the distribution
12 under sub. (7m) (c) or (cm), the department of revenue shall notify the clerk of each
13 town, village, and city of the estimated fair market value, as determined under sub.
14 (11) (d), used to calculate the first dollar credit under sub. (5m) and of the amount
15 to be distributed to it under sub. (7m) (c) ~~on the following 4th Monday in July~~ or (cm).
16 The anticipated receipt of such distribution shall not be taken into consideration in
17 determining the tax rate of the municipality but shall be applied as tax credits.

18 **SECTION 3.** 79.10 (7m) (a) 1. of the statutes is amended to read:

19 79.10 (7m) (a) 1. Except as provided in par. (e) (cm), the amount determined
20 under sub. (4) shall be distributed by the department of administration to the
21 counties on the 4th Monday in July.

1 **SECTION 4.** 79.10 (7m) (a) 2. of the statutes is amended to read:

2 79.10 (7m) (a) 2. Except as provided in par. (e) (cm), the county treasurer shall
3 settle for the amounts distributed under this paragraph on the 4th Monday in July
4 with each municipality and taxing jurisdiction in the county not later than August
5 20. Failure to settle timely under this subdivision subjects the county treasurer to
6 the penalties under s. 74.31.

7 **SECTION 5.** 79.10 (7m) (b) 1. of the statutes is amended to read:

8 79.10 (7m) (b) 1. Except as provided in par. (e) (cm), the amount determined
9 under sub. (5) with respect to claims filed for which the municipality has furnished
10 notice under sub. (1m) by March 1 shall be distributed from the appropriation under
11 s. 20.835 (3) (q) by the department of administration to the county in which the
12 municipality is located on the 4th Monday in March.

13 **SECTION 6.** 79.10 (7m) (b) 2. of the statutes is amended to read:

14 79.10 (7m) (b) 2. Except as provided in par. (e) (cm), the county treasurer shall
15 settle for the amounts distributed on the 4th Monday in March under this paragraph
16 with each taxation district and each taxing jurisdiction within the taxation district
17 not later than April 15. Failure to settle timely under this subdivision subjects the
18 county treasurer to the penalties under s. 74.31.

19 **SECTION 7.** 79.10 (7m) (c) 1. of the statutes is amended to read:

20 79.10 (7m) (c) 1. ~~The~~ Except as provided in par. (cm), the amount determined
21 under sub. (5m) shall be distributed from the appropriation under s. 20.835 (3) (b)
22 by the department of administration to the counties on the 4th Monday in July.

23 **SECTION 8.** 79.10 (7m) (c) 2. of the statutes is amended to read:

24 79.10 (7m) (c) 2. ~~The town, village, or city~~ Except as provided in par. (cm), the
25 county treasurer shall settle for the amounts distributed on the 4th Monday in July

1 under this paragraph with the appropriate each municipality and taxing jurisdiction
2 in the county treasurer not later than August 15 20. Failure to settle timely under
3 this subdivision subjects the ~~town, village, or city~~ county treasurer to the penalties
4 under s. 74.31. ~~On or before August 20, the county treasurer shall settle with each~~
5 ~~taxing jurisdiction, including towns, villages, and cities except 1st class cities, in the~~
6 ~~county.~~

7 **SECTION 9.** 79.10 (7m) (cm) 1. a. of the statutes is amended to read:

8 79.10 (**7m**) (cm) 1. a. If, in any year, the total of the amounts determined under
9 subs. (4) ~~and, (5), and (5m)~~ for any municipality is \$3,000,000 or more, the
10 municipality, with the approval of the majority of the members of the municipality's
11 governing body, may notify the department of administration to distribute the
12 amounts directly to the municipality and the department of administration shall
13 distribute the amounts at the time and in the manner provided under pars. (a) 1. ~~and,~~
14 (b) 1., and (c) 1.

15 **SECTION 10.** 79.10 (7m) (cm) 1. b. of the statutes is amended to read:

16 79.10 (**7m**) (cm) 1. b. The treasurer of the municipality shall settle for the
17 amounts distributed under ~~par. pars.~~ (a) 1. and (c) 1. on the 4th Monday in July with
18 the appropriate county treasurer not later than August 15. Failure to settle timely
19 under this subdivision subjects the treasurer of the municipality to the penalties
20 under s. 74.31. On or before August 20, the county treasurer shall settle with each
21 taxing jurisdiction, including towns, villages, and cities, except 1st class cities, in the
22 county.

23 **SECTION 11.** 79.10 (7m) (cm) 2. a. of the statutes is amended to read:

24 79.10 (**7m**) (cm) 2. a. The department of administration shall distribute the
25 amounts determined under subs. (4) ~~and, (5), and (5m)~~ directly to any municipality

1 that enacts an ordinance under s. 74.12 at the time and in the manner provided
2 under pars. (a) 1. ~~and~~, (b) 1., and (c) 1.

3 **SECTION 12.** 79.10 (7m) (cm) 2. b. of the statutes is amended to read:

4 79.10 **(7m)** (cm) 2. b. The treasurer of the municipality shall settle for the
5 amounts distributed under ~~par.~~ pars. (a) 1. and (c) 1. on the 4th Monday in July with
6 the appropriate county treasurer not later than August 15. Failure to settle timely
7 under this subdivision subjects the treasurer of the municipality to the penalties
8 under s. 74.31. On or before August 20, the county treasurer shall settle with each
9 taxing jurisdiction, including towns, villages, and cities, except 1st class cities, in the
10 county.

11 **SECTION 9343. Initial applicability; Revenue.**

12 (1) FIRST DOLLAR CREDIT DISTRIBUTION. The treatment of section 79.10 (2) (a) and
13 (b) and (7m) (a) 1. and 2., (b) 1. and 2., (c) 1. and 2., and (cm) 1. a. and b. and 2. a. and
14 b. of the statutes first applies to distributions in 2010.

15 (END)