

2011 DRAFTING REQUEST

Bill

Received: 01/23/2012

Received By: jkreye

Wanted: As time permits

Companion to LRB:

For: Samantha Kerkman (608) 266-2530

By/Representing: tami

May Contact:

Drafter: jkreye

Subject: Tax, Other - miscellaneous

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: Rep.Kerkman@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Definition of municipality for tax refund setoff purposes

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>
/?							S&L
/1	jkreye 01/23/2012	mduchek 01/23/2012	phenry 01/24/2012		ggodwin 01/24/2012	lparisi 02/03/2012	

FE Sent For:

*at intro
2-8-12*

<END>

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2011 DRAFTING REQUEST

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Received: 01/23/2012

Received By: jkreye

Wanted: As time permits

Companion to LRB:

For: Governor

By/Representing: eileen

May Contact:

Drafter: jkreye

Subject: Tax, Other - miscellaneous

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: eileen.schoenfeldt@wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

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Instructions:

See attached

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Received: **01/23/2012**

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Wanted: **As time permits**

Companion to LRB:

For: **Governor**

By/Representing: **eileen**

May Contact:

Drafter: **jkreye**

Subject: **Tax, Other - miscellaneous**

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email: **eileen.schoenfeldt@wisconsin.gov**

Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

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/?	jkreye						
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M
1/23/12
jkreye
jkreye
jkreye
<END>

FE Sent For:

Kreye, Joseph

From: Schoenfeldt, Eileen - GOV [Eileen.Schoenfeldt@wisconsin.gov]
Sent: Friday, January 20, 2012 11:33 AM
To: Kreye, Joseph
Subject: draft request

Joe,

The Department of Revenue is suggesting tightening up a definition of municipality that is used in conjunction with the Tax Refund Intercept Program. Below is a description of the issue and suggested changes. Let me know if you have any questions. Thanks!

Eileen Schoenfeldt
Policy Advisor
Office of Governor Scott Walker
(608) 261-2163
eileen.schoenfeldt@wisconsin.gov

TITLE: Tax Refund Intercept – Correction

DESCRIPTION OF CURRENT LAW AND PROBLEM

Section 71.935, Wis. Stats., authorizes the Department of Revenue to set off tax refunds against debts owed to counties and municipalities. At the request of the Department of Revenue, 2011 Wisconsin Act 32 added a definition for the term “municipality”.

“Municipality” is defined in sec. 71.935 (1) (cr), Wis. Stats., as “...any city, village, or town, and includes any entity providing consolidated services among cities, villages, and towns.”

The problem is that the definition of municipality was altered slightly from what was proposed, and it is now unclear whether a municipality includes private organizations that contract with cities, villages, and towns to provide consolidated services. The definition seems to authorize private organizations to not only submit debts of consolidated municipal entities, but also to submit their private debts for tax refund intercept.

RECOMMENDATION FOR ACTION

Amend sec. 71.935 (1) (cr) to clarify the definition of municipality.

DRAFTING INSTRUCTIONS

Amend sec. 71.935 (1) (cr) as follows:

‘Municipality’ means any city, village, or town, and includes any entity formed pursuant to sec. 66.0301 (1) (a) to provide consolidated services ~~among~~ directly to cities, villages and towns.

EFFECTIVE DATE AND/OR INITIAL APPLICATION

The effective date should be the day after publication.



JK:./...
med

2011 BILL

in 1-23-12

due Fri. 1-27

Gen

1
2

AN ACT *Gen*; relating to: the definition of municipality for purposes of tax refund setoffs.

Analysis by the Legislative Reference Bureau

Under current law, if a person owes a debt of at least \$20 to a county or municipality, and if the debt has been reduced to a judgment or the county or municipality has provided the debtor reasonable notice and an opportunity to be heard with regard to the debt, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the debtor. Under current law, for purposes of certifying debt to DOR, a "municipality" means any city, village, or town, and includes any entity providing consolidated services among cities, villages, and towns.

This bill clarifies that, for purposes of certifying debt to DOR, a "municipality" means any city, village, or town, and includes any entity formed pursuant to an intergovernmental cooperation contract or agreement to provide consolidated services directly to cities, villages, and towns.

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:

BILL

SECTION 1

1 **SECTION 1.** 71.935 (1) (cr) of the statutes, as created by 2011 Wisconsin Act 32,
2 is amended to read:

3 71.935 (1) (cr) "Municipality" means any city, village, or town, and includes any
4 entity providing formed pursuant to an intergovernmental cooperation contract or
5 agreement under s. 66.0301 to provide consolidated services among directly to cities,
6 villages, and towns.

7 **History:** 1995 a. 27; 1997 a. 27; 2003 a. 177; 2005 a. 25, 59, 254, 454; 2007 a. 96, 97; 2011 a. 32.

(END)

Kreye, Joseph

From: Kerkman, Samantha
Sent: Friday, February 03, 2012 12:03 PM
To: Kreye, Joseph
Subject: RE: Draft review: LRB 11-3904/1 Topic: Definition of municipality for tax refund setoff purposes
Please jacket for introduction.

Thank you,

Tami Rongstad
Office of Rep. Samantha Kerkman
608-266-2531 / 888-534-0066

From: Kreye, Joseph
Sent: Friday, February 03, 2012 8:54 AM
To: Rep.Kerkman
Cc: Rongstad, Tami
Subject: FW: Draft review: LRB 11-3904/1 Topic: Definition of municipality for tax refund setoff purposes

Rep. Kerkman,

Please let me know if you would like to have this draft jacketed for introduction.

Joe

Joseph Kreye
Senior Legislative Attorney
Legislative Reference Bureau
608 266-2263

From: Schoenfeldt, Eileen - GOV [mailto:Eileen.Schoenfeldt@wisconsin.gov]
Sent: Thursday, February 02, 2012 5:38 PM
To: Kreye, Joseph
Subject: FW: Draft review: LRB 11-3904/1 Topic: Definition of municipality for tax refund setoff purposes

Please release this bill draft to Representative Kerkman. Thanks!

Eileen Schoenfeldt
Policy Advisor
Office of Governor Scott Walker
(608) 261-2163
eileen.schoenfeldt@wisconsin.gov

From: LRB.Legal [mailto:LRB-LegalServices@legis.wisconsin.gov]
Sent: Tuesday, January 24, 2012 9:33 AM
To: Schoenfeldt, Eileen - GOV
Subject: Draft review: LRB 11-3904/1 Topic: Definition of municipality for tax refund setoff purposes

2/3/2012

State of Wisconsin - Legislative Reference Bureau
One East Main Street - Suite 200 - Madison

The attached draft was prepared at your request. Please review it carefully to ensure that it satisfies your intent. If you have any questions concerning the draft or would like to have it redrafted, please contact Joseph T. Kreye, Senior Attorney, at (608) 266-2263, at joseph.kreye@legis.wisconsin.gov, or at One East Main Street, Suite 200.

If you would like to jacket the draft for introduction, please click on the appropriate button below. Please select only one button. If you wish to introduce this draft in both houses please contact the drafting attorney to have a companion bill drafted.

**Jacket for the
ASSEMBLY**

**Jacket for the
SENATE**

Please allow one day for jacketing. If this is a "rush" please make a note in your response e-mail so we are aware that we need to give this request a high priority.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will submit a request to DOA when the draft is introduced. You may obtain a fiscal estimate on the draft prior to introduction by contacting our program assistants at LRB.Legal@legis.wisconsin.gov or at (608) 266-3561. If you requested a fiscal estimate on an earlier version of this draft and would like to obtain a fiscal estimate on the current version before it is introduced, you will need to request a revised fiscal estimate from our program assistants.

Please call our program assistants at (608) 266-3561 if you have any questions regarding this email.