



State of Wisconsin

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STEPHEN R. MILLER
CHIEF

November 26, 2013

MEMORANDUM

To: Representative Kleefisch

From: Michael P. Gallagher, Legislative Attorney, (608) 267-7511

Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

Subject: Technical Memorandum to **2013 AB 508** (LRB-1689/1) 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

November 21, 2013

TO: Michael P. Gallagher
Joseph T. Kreye
Legislative Reference Bureau

FROM: Robert Schmidt
Department of Revenue

SUBJECT: Technical Memorandum on 2013 AB 508 Regarding Permitting a Funeral Establishment to be Located in a Cemetery, Prohibiting Discrimination Against a Funeral Establishment that has no Relationship with a Cemetery, Prohibiting Discrimination Against a Cemetery that has no Relationship with a Funeral Establishment, and Eliminating a Property Tax Exemption for Cemetery Authority Property

The Department of Revenue has the following concerns regarding the property tax sections of the bill:

- (1) The bill provides that the changes to the property tax exemption take effect on January 1, 2014. The date creates problems if the proposed bill is enacted after the effective date, since the deadline for requesting an exemption from property taxes for 2014 is March 1, 2014. The department will also need time to notify assessors of the law change and to provide materials so that the law change can be properly administered. The department suggests changing the effective date of the bill to January 1 of the year after the bill is enacted.
- (2) The wording of the sentence that amends the exemption for cemeteries may not accomplish what the authors intended. It appears that the intent is for funeral establishments located in a cemetery to continue to be subject to property tax. We suggest that the sentence be changed to read as follows: This subsection does not apply to land and improvements used by a funeral establishment, if the funeral establishment is located in a cemetery.

If you have any questions on the property tax issues in the technical memorandum, please contact Yuko Iwata at 267-9892.

Cc: Representative Kleefisch