



State of Wisconsin

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RICHARD CHAMPAGNE
CHIEF

August 21, 2015

MEMORANDUM

To: Senator Cowles

From: Joseph T. Kreye, Legal Section Administrator, (608) 266-2263

Subject: Technical Memorandum to **2015 SB 233** (LRB-2756) **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

August 21, 2015

TO: Joe Kreye
Legislative Reference Bureau

FROM: Bob Schmidt
Department of Revenue

SUBJECT: Technical Memorandum on 2015 SB-233 – relating to distributing excess sales tax revenue collected by a local professional football district to Brown County and the municipalities within Brown County.

The department has the following concern with the bill:

Under current law, the Department of Revenue (DOR) must distribute taxes to the stadium district based on the amounts reported on sales tax returns, not necessarily the taxes remitted by filers.

It is possible the department will double-pay taxes to the district and local governments. In some instances, DOR has paid taxes to the district prior to April 1, 2015 that are later collected by DOR after April 1, 2015. In such cases, DOR may have to pay the taxes twice: (1) paid to football stadium district when *reported* to DOR, and (2) paid to Brown County and the municipalities when *collected* by DOR). In order to prevent the double-payment of taxes, the department suggests the following modifications to 77.76 (5) (a):

77.76 **(5)** (a) If a local professional football stadium district in Brown County makes all the certifications to the department of revenue under s. 229.825 (3), the department shall distribute the taxes imposed by or collected for the district under s. 77.706 from April 1, 2015, to September 30, 2015; excluding taxes that were reported to the department prior to April 1, 2015 and paid to the football stadium district; as follows:

(c) If the local professional football stadium district receives from the department any of the taxes collected for the district under s. 77.706 from April 1, 2015, to September 30, 2015; excluding taxes that were reported to the department prior to April 1, 2015 and paid to the football stadium district; the district shall return those taxes to the department, in the manner prescribed by the department, so that the department may distribute the taxes as provided in par. (a).

If you have questions regarding this technical memorandum, please contact Travis Arthur at (608) 266-8565 or travis.arthur@revenue.wi.gov.