

2019 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB691)

For: **Robert Brooks (608) 267-2369** Drafter: **jkreye**
 By: **christopher** Secondary Drafters:
 Date: **1/17/2020** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email: **Rep.Rob.Brooks@legis.wisconsin.gov**
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Modifying the notice of changed assessment

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 1/17/2020	anienaja 1/17/2020			
/P1	jkreye 1/21/2020	anienaja 1/21/2020	dwalker 1/17/2020		
/P2	jkreye 1/23/2020	swinder 1/23/2020	mbarman 1/21/2020		
/P3			dwalker 1/23/2020		
/1			dwalker	dwalker	

Vers. Drafted

Reviewed

Submitted
1/29/2020

Jacketed
1/29/2020

Required

FE Sent For:

<END>

Kreye, Joseph

From: Schaefer, Christopher
Sent: Thursday, January 16, 2020 4:59 PM
To: Kreye, Joseph
Subject: RE: Substitute amendment

I will be out of the office tomorrow and am wondering if you could send me a copy of the amendment when it is finished, as well.

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov

From: Schaefer, Christopher
Sent: Thursday, January 16, 2020 4:56 PM
To: Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>
Subject: Substitute amendment

Here is a more thorough description of what we would like changed in the substitute amendment to AB 691. I sent you these changes in separate emails, but wanted to send them in one, as it is less confusing.

Amend Wis. Stat. s. 70.365 to include the phrase

“Under Wisconsin law, generally the assessor may not change the assessment of a property based solely on the recent arm’s length sale of the property without adjusting the assessed values of comparable properties in the same market area. For more information on the assessment of properties that have recently sold, visit the Wisconsin Department of Revenue’s website at www.revenue.wi.gov.”

70.365 Notice of changed assessment. When the assessor assesses any taxable real property, or any improvements taxed as personal property under s. 77.84 (1), and arrives at a different total than the assessment of it for the previous year, the assessor shall notify the person assessed if the address of the person is known to the assessor, otherwise the occupant of the property. However, the assessor is not required to provide notice under this section if land is classified as agricultural land, as defined in s. 70.32 (2) (c) 1g., for the current year and previous year and the difference between the assessments is \$500 or less. If the assessor determines that land assessed under s. 70.32 (2r) for the previous year is no longer eligible to be assessed under s. 70.32 (2r), and the current classification under s. 70.32 (2) (a) is not undeveloped, agricultural forest, productive forest land, or other, the assessor shall notify the person assessed if the assessor knows the person's address, or otherwise the occupant of the property, that the person assessed may be subject to a conversion charge under s. 74.485. Any notice issued under this section shall be in writing and shall be sent by ordinary mail at least 15 days before the meeting of the board of review or before the meeting of the board of assessors in 1st class cities and in 2nd class cities that have a board of assessors under s. 70.075, except that, in any year in which the taxation district conducts a revaluation under s. 70.05, the notice shall be sent at least 30 days before the meeting of the board of review or board of assessors. The notice shall contain the amount of the changed assessment and the time, date, and place of the meeting of the local board of review or of the board of assessors. **The notice shall contain the phrase: “Under Wisconsin law,**

generally the assessor may not change the assessment of a property based solely on the recent arm's length sale of the property without adjusting the assessed values of comparable properties in the same market area. For more information on the assessment of properties that have recently sold, visit the Wisconsin Department of Revenue's website at www.revenue.wi.gov. However, if the assessment roll is not complete, the notice shall be sent by ordinary mail at least 15 days prior to the date to which the board of review or board of assessors has adjourned, except that, in any year in which the taxation

Amend Wis. Stat. 70.05 (below) to **replace the word "notice" with "information"**

70.05 (4n) If a taxation district assessor is requesting to view the interior of a residence, the assessor shall provide written notice to the property owner of the property owner's rights regarding the inspection of the interior of the owner's residence. The notice shall be in substantially the following form:

PROPERTY OWNER RIGHTS

You have the right to refuse entry into your residence pursuant to section 70.05 (4m) of the Wisconsin statutes. Entry to view your property is prohibited unless voluntarily authorized by you. Pursuant to section 70.05 (4m) of the Wisconsin statutes, you have the right to refuse a visual inspection of the interior of your residence and your refusal to allow an interior inspection of your residence will not be used as the sole reason for increasing your property tax assessment. Refusing entry to your residence also does not prohibit you from objecting to your assessment pursuant to section 70.47 (7) of the Wisconsin statutes. Please indicate your consent or refusal to allow an interior visual inspection of your residence.

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
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60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov

Kreye, Joseph

From: Schaefer, Christopher
Sent: Thursday, January 16, 2020 3:24 PM
To: Kreye, Joseph
Subject: Amendment to AB 691
Attachments: Language.docx

Hello, Joe:

We would like an amendment drafted to Assembly Bill 691 that does the following:

Inserting the following language into 70.365 :

The notice shall contain the phrase: "Under Wisconsin law, generally the assessor may not change the assessment of a property based solely on the recent arm's length sale of the property without adjusting the assessed values of comparable properties in the same market area. For more information on the assessment of properties that have recently sold, visit the Wisconsin Department of Revenue's website at www.revenue.wi.gov."

If you could provide us with an amendment draft as soon as possible, it would be appreciated. Attached is the entire section of statute with this proposed language highlighted, if you need it for reference.

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov

Kreye, Joseph

From: Schaefer, Christopher
Sent: Thursday, January 16, 2020 3:46 PM
To: Kreye, Joseph
Subject: RE: Amendment to AB 691

Could we get it drafted as a substitute amendment?

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov

From: Schaefer, Christopher
Sent: Thursday, January 16, 2020 3:24 PM
To: Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>
Subject: Amendment to AB 691

Hello, Joe:

We would like an amendment drafted to Assembly Bill 691 that does the following:

Inserting the following language into 70.365 :

The notice shall contain the phrase: "Under Wisconsin law, generally the assessor may not change the assessment of a property based solely on the recent arm's length sale of the property without adjusting the assessed values of comparable properties in the same market area. For more information on the assessment of properties that have recently sold, visit the Wisconsin Department of Revenue's website at www.revenue.wi.gov."

If you could provide us with an amendment draft as soon as possible, it would be appreciated. Attached is the entire section of statute with this proposed language highlighted, if you need it for reference.

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov



ASA to

2019 ASSEMBLY BILL 691

Today

SA
PWF

December 23, 2019 - Introduced by Representatives BROOKS, GUNDRUM, HORLACHER, KNODL, KUGLITSCH, KULP, MAGNIFICI, MURPHY, RAMTHUN, SKOWRONSKI, THIESFELDT and WICHGERS, cosponsored by Senators CRAIG and NASS. Referred to Committee on Housing and Real Estate.

Regen

- 1 AN ACT *to renumber* 70.32 (1); and *to create* 70.32 (1) (b) of the statutes;
- 2 **relating to:** prohibiting an assessor from changing the valuation of property
- 3 based solely on a recent sale of the property.

Analysis by the Legislative Reference Bureau

Current law requires that, to determine a property's value for property tax purposes, the assessor consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property. This bill prohibits an assessor from changing the assessed value of a property based solely on the recent arm's-length sale of the property unless the change in assessed value corrects a previous assessment based on incorrect information about the physical characteristics of the property.

insert
A

For further information see the **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:

insert
1-4

4 SECTION 1. 70.32 (1) of the statutes is renumbered 70.32 (1) (a).

5 SECTION 2. 70.32 (1) (b) of the statutes is created to read:

2019-2020 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0223/?ins

JK:...GAM

Insert A

The bill also requires that an assessor's notice of changed assessment to a property owner include language that specifies that the assessor may not change the assessment of property based solely on the recent arm's length sale of the property without adjusting the assessed value of comparable properties in the same market area. Finally, the bill makes a technical change to the notice of property owner rights so that it is referred to as "information" rather than a notice. Under current law, if an assessor is requesting to view the interior of a residence, the assessor must provide written notice to the property owner of the person's right to refuse.

Insert 1 - 4

1 **SECTION 1.** 70.05 (4n) of the statutes is amended to read:

2 70.05 (4n) If a taxation district assessor is requesting to view the interior of a
3 residence, the assessor shall provide written notice information to the property
4 owner of the property owner's rights regarding the inspection of the interior of the
5 owner's residence. The notice information shall be in substantially the following
6 form:

7 **PROPERTY OWNER RIGHTS**

8 You have the right to refuse entry into your residence pursuant to section 70.05
9 (4m) of the Wisconsin statutes. Entry to view your property is prohibited unless
10 voluntarily authorized by you. Pursuant to section 70.05 (4m) of the Wisconsin
11 statutes, you have the right to refuse a visual inspection of the interior of your
12 residence and your refusal to allow an interior inspection of your residence will not
13 be used as the sole reason for increasing your property tax assessment. Refusing
14 entry to your residence also does not prohibit you from objecting to your assessment
15 pursuant to section 70.47 (7) of the Wisconsin statutes. Please indicate your consent
16 or refusal to allow an interior visual inspection of your residence.

History: 1973 c. 90; 1975 c. 39, 199; 1979 c. 221; 1981 c. 20; 1983 a. 27; 1985 a. 332 s. 108; 1987 a. 399; 1989 a. 56; 1991 a. 39, 316; 1995 a. 27, 212; 2003 a. 33; 2009 a. 68; 2015 a. 322; 2017 a. 68; 2017 a. 365 s. 112.

Insert 2 - 8

as affected by 2019 Wisconsin Act 21

1

SECTION 2. 70.365 of the statutes is amended to read:

2

70.365 Notice of changed assessment. When the assessor assesses any

3

taxable real property, or any improvements taxed as personal property under s. 77.84

4

(1), and arrives at a different total than the assessment of it for the previous year,

5

the assessor shall notify the person assessed if the address of the person is known

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to the assessor, otherwise the occupant of the property. However, the assessor is not

7

required to provide notice under this section if land is classified as agricultural land,

8

as defined in s. 70.32 (2) (c) 1g., for the current year and previous year and the

9

difference between the assessments is \$500 or less. If the assessor determines that

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land assessed under s. 70.32 (2r) for the previous year is no longer eligible to be

11

assessed under s. 70.32 (2r), and the current classification under s. 70.32 (2) (a) is not

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undeveloped, agricultural forest, productive forest land, or other, the assessor shall

13

notify the person assessed if the assessor knows the person's address, or otherwise

14

the occupant of the property, that the person assessed may be subject to a conversion

15

charge under s. 74.485. Any notice issued under this section shall be in writing and

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shall be sent by ordinary mail at least 15 days before the meeting of the board of

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review or before the meeting of the board of assessors in 1st class cities and in 2nd

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class cities that have a board of assessors under s. 70.075, except that, in any year

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in which the taxation district conducts a revaluation under s. 70.05, the notice shall

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be sent at least 30 days before the meeting of the board of review or board of

21

assessors. The notice shall contain the amount of the changed assessment and the

22

time, date, and place of the meeting of the local board of review or of the board of

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assessors. The notice shall also include the following: "Under Wisconsin law,

24

generally, the assessor may not change the assessment of property based solely on

25

the recent arm's length sale of the property without adjusting the assessed value of

1 comparable properties in the same market area. For information on the assessment
2 of properties that have recently sold, visit the Internet site of the Department of
3 Revenue at ... (Internet site address). However, if the assessment roll is not complete,
4 the notice shall be sent by ordinary mail at least 15 days prior to the date to which
5 the board of review or board of assessors has adjourned, except that, in any year in
6 which the taxation district conducts a revaluation under s. 70.05, the notice shall be
7 sent at least 30 days prior to the date to which the board of review or board of
8 assessors has adjourned. The assessor shall attach to the assessment roll a
9 statement that the notices required by this section have been mailed and failure to
10 receive the notice shall not affect the validity of the changed assessment, the
11 resulting changed tax, the procedures of the board of review or of the board of
12 assessors or the enforcement of delinquent taxes by statutory means. After the
13 person assessed or the occupant of the property receives notice under this section,
14 if the assessor changes the assessment as a result of the examination of the rolls as
15 provided in s. 70.45 and the person assessed waives, in writing and on a form
16 prescribed or approved by the department of revenue, the person's right to the notice
17 of the changed assessment under this section, no additional notice is required under
18 this section. The secretary of revenue shall prescribe the form of the notice required
19 under this section. The form shall include information notifying the taxpayer of the
20 procedures to be used to object to the assessment. The form shall also indicate
21 whether the person assessed may be subject to a conversion charge under s. 74.485.

History: 1977 c. 418; 1981 c. 20; 1983 a. 490; 1991 a. 248; 1997 a. 237; 2007 a. 210; 2013 a. 228; 2019 a. 2.

50223

Kreye, Joseph

From: Schaefer, Christopher
Sent: Monday, January 20, 2020 2:38 PM
To: Kreye, Joseph
Subject: AB 691 substitute amendment

Hello, Joe:

Here is one additional change to the AB 691 substitute amendment:

Sections 2 and 3 of the Sub are to be deleted and replaced with Sections 1 and 4.

Would be possible to get a draft late Tuesday morning or early afternoon, at the latest?

Thanks, Joe

Christopher

Christopher J. Schaefer, M.A.
Policy Director, Office of Representative Rob Brooks

Kreye, Joseph

From: Schaefer, Christopher
Sent: Tuesday, January 21, 2020 9:32 AM
To: Kreye, Joseph
Subject: FW: AB 691 substitute amendment

Here is information regarding your concern.

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov

-----Original Message-----

From: Tom Larson <tlarson@wra.org>
Sent: Tuesday, January 21, 2020 9:28 AM
To: Schaefer, Christopher <Christopher.Schaefer@legis.wisconsin.gov>; Curt Witynski <witynski@lwm-info.org>
Subject: RE: AB 691 substitute amendment

Christopher,

The Wisconsin Property Tax Assessment manual, which all assessors are required to follow under Wis. Stat. 70.32, prohibits this practice. Please share the information I have given you with Joe.

Let me know if you need anything else.

Thanks,

Tom

-----Original Message-----

From: Schaefer, Christopher <Christopher.Schaefer@legis.wisconsin.gov>
Sent: Tuesday, January 21, 2020 9:13 AM
To: Curt Witynski <witynski@lwm-info.org>; Tom Larson <tlarson@wra.org>
Subject: FW: AB 691 substitute amendment

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov

-----Original Message-----

From: Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>
Sent: Tuesday, January 21, 2020 9:09 AM
To: Schaefer, Christopher <Christopher.Schaefer@legis.wisconsin.gov>
Subject: RE: AB 691 substitute amendment

Christopher,

The additional language in Section 4 is dependent upon the change made in Section 3. In other words, if we take out Sections 2 and 3 there is no basis for saying in Section 4 that the assessor may not change the assessed value of a property based solely on an arms-length sale unless, etc.

Joe

Joseph T. Kreye
Legal Services Manager
Legislative Reference Bureau
608 504-5857

-----Original Message-----

From: Schaefer, Christopher <Christopher.Schaefer@legis.wisconsin.gov>
Sent: Monday, January 20, 2020 2:38 PM
To: Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>
Subject: AB 691 substitute amendment

Hello, Joe:

Here is one additional change to the AB 691 substitute amendment:

Sections 2 and 3 of the Sub are to be deleted and replaced with Sections 1 and 4.

Would be possible to get a draft late Tuesday morning or early afternoon, at the latest?

Thanks, Joe

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Christopher J. Schaefer, M.A.
Policy Director, Office of Representative Rob Brooks



12

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY SUBSTITUTE AMENDMENT,
TO ASSEMBLY BILL 691

Today

Regen

notice that

is prohibited

1 **AN ACT to renumber 70.32 (1); to amend 70.05 (4n) and 70.365; and to create**
2 **70.32 (1) (b) of the statutes; relating to: prohibiting an assessor from changing**
3 **the valuation of property based solely on a recent sale of the property.**

Analysis by the Legislative Reference Bureau

Current law, generally

Current law requires that, to determine a property's value for property tax purposes, the assessor consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property. This bill prohibits an assessor from changing the assessed value of a property based solely on the recent arm's-length sale of the property unless the change in assessed value corrects a previous assessment based on incorrect information about the physical characteristics of the property.

The bill also requires that an assessor's notice of changed assessment to a property owner include language that specifies that the assessor may not change the assessment of property based solely on the recent arm's length sale of the property without adjusting the assessed value of comparable properties in the same market area. Finally, the bill makes a technical change to the notice of property owner rights so that it is referred to as "information" rather than a "notice." Under current law,

this bill

the

also

if an assessor is requesting to view the interior of a residence, the assessor must provide written notice to the property owner of the person's right to refuse.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 70.05 (4n) of the statutes is amended to read:

2 70.05 (4n) If a taxation district assessor is requesting to view the interior of a
3 residence, the assessor shall provide written notice information to the property
4 owner of the property owner's rights regarding the inspection of the interior of the
5 owner's residence. The notice information shall be in substantially the following
6 form:

7 **PROPERTY OWNER RIGHTS**

8 You have the right to refuse entry into your residence pursuant to section 70.05
9 (4m) of the Wisconsin statutes. Entry to view your property is prohibited unless
10 voluntarily authorized by you. Pursuant to section 70.05 (4m) of the Wisconsin
11 statutes, you have the right to refuse a visual inspection of the interior of your
12 residence and your refusal to allow an interior inspection of your residence will not
13 be used as the sole reason for increasing your property tax assessment. Refusing
14 entry to your residence also does not prohibit you from objecting to your assessment
15 pursuant to section 70.47 (7) of the Wisconsin statutes. Please indicate your consent
16 or refusal to allow an interior visual inspection of your residence.

17 **SECTION 2.** 70.32 (1) of the statutes is renumbered 70.32 (1) (a).

18 **SECTION 3.** 70.32 (1) (b) of the statutes is created to read:

19 70.32 (1) (b) An assessor may not change the assessed value of a property based
20 solely on the recent arm's length sale of the property unless the change in assessed
21 value updates a previous assessment based on incorrect or outdated information

1 about the property characteristics. This paragraph does not limit the assessor's
2 ability to change the assessed value of a property using a recent arm's length sale of
3 the property as part of a revaluation or interim market update of the taxation
4 district, nor does it limit the ability of a board of review to change the assessment
5 based solely on the recent arm's length sale of the property.

6 **SECTION 4.** 70.365 of the statutes, as affected by 2019 Wisconsin Act 2, is
7 amended to read:

8 **70.365 Notice of changed assessment.** When the assessor assesses any
9 taxable real property, or any improvements taxed as personal property under s. 77.84
10 (1), and arrives at a different total than the assessment of it for the previous year,
11 the assessor shall notify the person assessed if the address of the person is known
12 to the assessor, otherwise the occupant of the property. However, the assessor is not
13 required to provide notice under this section if land is classified as agricultural land,
14 as defined in s. 70.32 (2) (c) 1g., for the current year and previous year and the
15 difference between the assessments is \$500 or less. If the assessor determines that
16 land assessed under s. 70.32 (2r) for the previous year is no longer eligible to be
17 assessed under s. 70.32 (2r), and the current classification under s. 70.32 (2) (a) is not
18 undeveloped, agricultural forest, productive forest land, or other, the assessor shall
19 notify the person assessed if the assessor knows the person's address, or otherwise
20 the occupant of the property, that the person assessed may be subject to a conversion
21 charge under s. 74.485. Any notice issued under this section shall be in writing and
22 shall be sent by ordinary mail at least 15 days before the meeting of the board of
23 review or before the meeting of the board of assessors in 1st class cities and in 2nd
24 class cities that have a board of assessors under s. 70.075, except that, in any year
25 in which the taxation district conducts a revaluation under s. 70.05, the notice shall

1 be sent at least 30 days before the meeting of the board of review or board of
2 assessors. The notice shall contain the amount of the changed assessment and the
3 time, date, and place of the meeting of the local board of review or of the board of
4 assessors. The notice shall also include the following: “Under Wisconsin law,
5 generally, the assessor may not change the assessment of property based solely on
6 the recent arm’s length sale of the property without adjusting the assessed value of
7 comparable properties in the same market area. For information on the assessment
8 of properties that have recently sold, visit the Internet site of the Department of
9 Revenue at ... (Internet site address).” However, if the assessment roll is not
10 complete, the notice shall be sent by ordinary mail at least 15 days prior to the date
11 to which the board of review or board of assessors has adjourned, except that, in any
12 year in which the taxation district conducts a revaluation under s. 70.05, the notice
13 shall be sent at least 30 days prior to the date to which the board of review or board
14 of assessors has adjourned. The assessor shall attach to the assessment roll a
15 statement that the notices required by this section have been mailed and failure to
16 receive the notice shall not affect the validity of the changed assessment, the
17 resulting changed tax, the procedures of the board of review or of the board of
18 assessors or the enforcement of delinquent taxes by statutory means. After the
19 person assessed or the occupant of the property receives notice under this section,
20 if the assessor changes the assessment as a result of the examination of the rolls as
21 provided in s. 70.45 and the person assessed waives, in writing and on a form
22 prescribed or approved by the department of revenue, the person’s right to the notice
23 of the changed assessment under this section, no additional notice is required under
24 this section. The secretary of revenue shall prescribe the form of the notice required
25 under this section. The form shall include information notifying the taxpayer of the

1 procedures to be used to object to the assessment. The form shall also indicate
2 whether the person assessed may be subject to a conversion charge under s. 74.485.

3 **SECTION 5. Initial applicability.**

4 (1) This act first applies to the property tax assessments as of January 1, 2020.

5 (END)

Kreye, Joseph

50723

From: Schaefer, Christopher
Sent: Wednesday, January 22, 2020 3:36 PM
To: Kreye, Joseph
Subject: Substitute amendment to AB 691

Joe:

Could we have the following changes made to the Substitute Amendment to Assembly Bill 691?

Remove Section 1.

Change the effective date to January 1, 2021.

If we could get a revised draft as soon as possible, it would be appreciated.

Christopher

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov



State of Wisconsin
2019 - 2020 LEGISLATURE

LRBs0223/P2
JK:amn

P3
+ skw

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY SUBSTITUTE AMENDMENT ,
TO ASSEMBLY BILL 691

Today

Reyn

1 AN ACT *to amend* 70.05 (4n) and 70.365 of the statutes; **relating to:** notice that
2 an assessor is prohibited from changing the valuation of property based solely
3 on a recent sale of the property.

Analysis by the Legislative Reference Bureau

Current law requires that, to determine a property's value for property tax purposes, the assessor consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property. Current law, generally, prohibits an assessor from changing the assessed value of a property based solely on the recent arm's-length sale of the property unless the change in assessed value corrects a previous assessment based on incorrect information about the physical characteristics of the property.

This bill requires that an assessor's notice of changed assessment to a property owner include language that specifies that the assessor may not change the assessment of property based solely on the recent arm's length sale of the property without adjusting the assessed value of comparable properties in the same market area. The bill also makes a technical change to the notice of property owner rights so that it is referred to as "information" rather than a "notice." Under current law,

6

if an assessor is requesting to view the interior of a residence, the assessor must provide written notice to the property owner of the person's right to refuse.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 70.05 (4n) of the statutes is amended to read:

70.05 (4n) If a taxation district assessor is requesting to view the interior of a residence, the assessor shall provide written notice information to the property owner of the property owner's rights regarding the inspection of the interior of the owner's residence. The notice information shall be in substantially the following form:

PROPERTY OWNER RIGHTS

You have the right to refuse entry into your residence pursuant to section 70.05 (4m) of the Wisconsin statutes. Entry to view your property is prohibited unless voluntarily authorized by you. Pursuant to section 70.05 (4m) of the Wisconsin statutes, you have the right to refuse a visual inspection of the interior of your residence and your refusal to allow an interior inspection of your residence will not be used as the sole reason for increasing your property tax assessment. Refusing entry to your residence also does not prohibit you from objecting to your assessment pursuant to section 70.47 (7) of the Wisconsin statutes. Please indicate your consent or refusal to allow an interior visual inspection of your residence.

SECTION 2. 70.365 of the statutes, as affected by 2019 Wisconsin Act 2, is amended to read:

70.365 Notice of changed assessment. When the assessor assesses any taxable real property, or any improvements taxed as personal property under s. 77.84 (1), and arrives at a different total than the assessment of it for the previous year,

1 the assessor shall notify the person assessed if the address of the person is known
2 to the assessor, otherwise the occupant of the property. However, the assessor is not
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7 assessed under s. 70.32 (2r), and the current classification under s. 70.32 (2) (a) is not
8 undeveloped, agricultural forest, productive forest land, or other, the assessor shall
9 notify the person assessed if the assessor knows the person's address, or otherwise
10 the occupant of the property, that the person assessed may be subject to a conversion
11 charge under s. 74.485. Any notice issued under this section shall be in writing and
12 shall be sent by ordinary mail at least 15 days before the meeting of the board of
13 review or before the meeting of the board of assessors in 1st class cities and in 2nd
14 class cities that have a board of assessors under s. 70.075, except that, in any year
15 in which the taxation district conducts a revaluation under s. 70.05, the notice shall
16 be sent at least 30 days before the meeting of the board of review or board of
17 assessors. The notice shall contain the amount of the changed assessment and the
18 time, date, and place of the meeting of the local board of review or of the board of
19 assessors. The notice shall also include the following: "Under Wisconsin law,
20 generally, the assessor may not change the assessment of property based solely on
21 the recent arm's length sale of the property without adjusting the assessed value of
22 comparable properties in the same market area. For information on the assessment
23 of properties that have recently sold, visit the Internet site of the Department of
24 Revenue at ... (Internet site address)." However, if the assessment roll is not
25 complete, the notice shall be sent by ordinary mail at least 15 days prior to the date

1 to which the board of review or board of assessors has adjourned, except that, in any
 2 year in which the taxation district conducts a revaluation under s. 70.05, the notice
 3 shall be sent at least 30 days prior to the date to which the board of review or board
 4 of assessors has adjourned. The assessor shall attach to the assessment roll a
 5 statement that the notices required by this section have been mailed and failure to
 6 receive the notice shall not affect the validity of the changed assessment, the
 7 resulting changed tax, the procedures of the board of review or of the board of
 8 assessors or the enforcement of delinquent taxes by statutory means. After the
 9 person assessed or the occupant of the property receives notice under this section,
 10 if the assessor changes the assessment as a result of the examination of the rolls as
 11 provided in s. 70.45 and the person assessed waives, in writing and on a form
 12 prescribed or approved by the department of revenue, the person's right to the notice
 13 of the changed assessment under this section, no additional notice is required under
 14 this section. The secretary of revenue shall prescribe the form of the notice required
 15 under this section. The form shall include information notifying the taxpayer of the
 16 procedures to be used to object to the assessment. The form shall also indicate
 17 whether the person assessed may be subject to a conversion charge under s. 74.485.

SECTION 3. Initial applicability.

(1) This act first applies to the property tax assessments as of January 1, ~~2020~~

(END)

A handwritten signature is written over the word '2020' in the text above. Below the signature, the year '2021' is circled in ink.

19

20

Kreye, Joseph

From: Schaefer, Christopher
Sent: Wednesday, January 29, 2020 8:01 AM
To: Kreye, Joseph
Subject: Amendment
Attachments: Amendment3.pdf

Hello, Joe:

Could we get a slash one of the following amendment drafted? Could we also get it jacketed?

Thank you, Joe.

Christopher

Mr. Christopher Schaefer, M.A.
Legislative Assistant,
Office of Representative Rob Brooks
60th Assembly District
(608) 267-2369
Christopher.Schaefer@legis.wisconsin.gov



State of Wisconsin
2019 - 2020 LEGISLATURE

LRBs0223/P3
JK:amn&skw

1
No
Changes

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY SUBSTITUTE AMENDMENT ,
TO ASSEMBLY BILL 691

1 **AN ACT to amend** 70.365 of the statutes; **relating to:** notice that an assessor is
2 prohibited from changing the valuation of property based solely on a recent sale
3 of the property.

Analysis by the Legislative Reference Bureau

Current law requires that, to determine a property's value for property tax purposes, the assessor consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property. Current law, generally, prohibits an assessor from changing the assessed value of a property based solely on the recent arm's-length sale of the property unless the change in assessed value corrects a previous assessment based on incorrect information about the physical characteristics of the property.

This bill requires that an assessor's notice of changed assessment to a property owner include language that specifies that the assessor may not change the assessment of property based solely on the recent arm's length sale of the property

1 procedures to be used to object to the assessment. The form shall also indicate
2 whether the person assessed may be subject to a conversion charge under s. 74.485.

3 **SECTION 2. Initial applicability.**

4 (1) This act first applies to the property tax assessments as of January 1, 2021.

5 (END)