



State of Wisconsin
2019 - 2020 LEGISLATURE

LRBs0089/1
CMH:kjf

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 344**

1 **AN ACT** *to amend* 76.81; and *to create* 76.80 (2), (2m) and (5) of the statutes;
2 **relating to:** telephone company tax exemption for property used to provide
3 broadband service.

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

4 **SECTION 1.** 76.80 (2), (2m) and (5) of the statutes are created to read:
5 76.80 (2) “Qualified broadband service property” means tangible personal
6 property that meets any of the following standards:
7 (a) The property is installed in a rural area prior to January, 1, 2020, and is used
8 to provide Internet access service to the rural area at actual speeds that are at least
9 a download speed of 25 megabits per second and an upload speed of 3 megabits per
10 second.

1 (b) The property is installed in a rural or underserved area after December 31,
2 2019, and is used to provide Internet access service to the rural or underserved area
3 at actual speeds that meet or exceed the higher of the following thresholds:

4 1. A download speed of 25 megabits per second and an upload speed of 3
5 megabits per second.

6 2. The download and upload speed benchmarks for fixed services as designated
7 by the federal communications commission in its inquiries regarding advanced
8 telecommunications capability under 47 USC 1302 (b).

9 **(2m)** “Rural area” means an area in this state that is located outside a federal
10 metropolitan statistical area or is located in a city, village, or town with a population
11 of not more than 14,000 and a population density of not more than 2,500 per square
12 mile. For purposes of sub. (2) (a), the determination of whether an area meets the
13 criteria of this subsection shall be made on the basis of the 2010 federal decennial
14 census, except that the determination of population density shall be made using the
15 2017 population density per square mile by municipality estimates available from
16 the department of administration.

17 **(5)** “Underserved area” means an area in this state in which Internet access
18 service at the highest speed threshold described in sub. (2) (b) is not available from
19 at least 2 wired providers.

20 **SECTION 2.** 76.81 of the statutes is amended to read:

21 **76.81 Imposition.** There is imposed a tax on the real property of, and the
22 tangible personal property of, every telephone company, excluding property that is
23 exempt from the property tax under s. 70.11 (39) and (39m), motor vehicles that are
24 exempt under s. 70.112 (5), property that is used less than 50 percent in the operation
25 of a telephone company, as provided under s. 70.112 (4) (b), and treatment plant and

1 pollution abatement equipment that is exempt under s. 70.11 (21), and qualified
2 broadband service property. Except as provided in s. 76.815, the rate for the tax
3 imposed on each description of real property and on each item of tangible personal
4 property is the net rate for the prior year for the tax under ch. 70 in the taxing
5 jurisdictions where the description or item is located. The real and tangible personal
6 property of a telephone company shall be assessed as provided under s. 70.112 (4) (b).

7 **SECTION 3. Initial applicability.**

8 (1) This act first applies to the property tax assessments as of January 1, 2021,
9 except that the treatment of s. 76.80 (2) (a) first applies to the property tax
10 assessments as of January 1, 2025.

11 (END)