



2019 ASSEMBLY BILL 288

June 13, 2019 - Introduced by Representatives KNODL, KULP, ALLEN, AUGUST, BORN, BRANDTJEN, BROOKS, DITTRICH, DUCHOW, EDMING, FELZKOWSKI, GUNDRUM, HORLACHER, HUTTON, JAMES, KITCHENS, KUGLITSCH, KURTZ, MACCO, MAGNAFICI, MURPHY, MURSAU, NEYLON, NOVAK, OLDENBURG, OTT, PETERSEN, PLUMER, PRONSCHINSKE, QUINN, RAMTHUN, SANFELIPPO, SCHRAA, SKOWRONSKI, SNYDER, SORTWELL, STAFSHOLT, STEFFEN, STEINEKE, SUMMERFIELD, SWEARINGEN, TAUCHEN, THIESFELDT, TITTL, TUSLER, VANDERMEER, VORPAGEL, WICHGERS, WITTKER, ZIMMERMAN and JAGLER, cosponsored by Senators STROEBEL, MARKLEIN, LEMAHIEU, CRAIG, FEYEN, JACQUE, KAPENGA, NASS, TESTIN, TIFFANY and WANGGAARD. Referred to Committee on Ways and Means.

1 **AN ACT to repeal** 70.13 (3), 70.13 (7), 70.35, 70.36 and 70.47 (15); **to renumber**
2 79.096 (1); **to renumber and amend** 79.096 (2) (a); **to amend** 26.03 (1m) (b)
3 (intro.), 70.17 (1), 79.096 (3) and 978.05 (6) (a); and **to create** 70.111 (28), 70.17
4 (3), 79.096 (1) (b) and 79.096 (2) (a) 2. of the statutes; **relating to:** eliminating
5 the personal property tax and making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, beginning with the property tax assessments as of January 1, 2018, machinery, tools, and patterns, not including such items used in manufacturing, are exempt from the personal property tax. However, beginning in 2019, the state will pay each taxing jurisdiction an amount equal to the property taxes levied on such items of personal property for the property tax assessments as of January 1, 2017.

Under the bill, beginning with the property tax assessments as of January 1, 2020, no items of personal property will be subject to the property tax. Beginning in 2021, the state will pay each taxing jurisdiction an additional amount equal to the property taxes levied on the items made exempt under the bill for the property tax assessments as of January 1, 2019. Beginning in 2022, each taxing jurisdiction will receive a payment to compensate it for its loss in personal property revenue equal to the payment it received in the previous year.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

ASSEMBLY BILL 288

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:

1 **SECTION 1.** 26.03 (1m) (b) (intro.) of the statutes is amended to read:

2 26.03 **(1m)** (b) (intro.) Paragraph (a) 1. does not apply to a person harvesting
3 raw forest products on public lands, as defined in s. 70.13 (7), 2017 stats., to a person
4 harvesting raw forest products for fuel wood for his or her home consumption, to a
5 person harvesting for the purpose of clearing the land for agricultural use or to a
6 person harvesting from the person's own land, any of the following:

7 **SECTION 2.** 70.111 (28) of the statutes is created to read:

8 70.111 **(28)** ALL PERSONAL PROPERTY. (a) Beginning with the property tax
9 assessments as of January 1, 2020, all personal property.

10 (b) A taxing jurisdiction may include the most recent valuation of personal
11 property described under par. (a) that is located in the taxing jurisdiction for
12 purposes of complying with debt limitations applicable to the jurisdiction.

13 **SECTION 3.** 70.13 (3) of the statutes is repealed.

14 **SECTION 4.** 70.13 (7) of the statutes is repealed.

15 **SECTION 5.** 70.17 (1) of the statutes is amended to read:

16 70.17 **(1)** Real property shall be entered in the name of the owner, if known to
17 the assessor, otherwise to the occupant thereof if ascertainable, and otherwise
18 without any name. The person holding the contract or certificate of sale of any real
19 property contracted to be sold by the state, but not conveyed, shall be deemed the
20 owner for such purpose. The undivided real estate of any deceased person may be
21 entered to the heirs of such person without designating them by name. The real

ASSEMBLY BILL 288

1 estate of an incorporated company shall be entered in the same manner as that of an
2 individual. Improvements Except as provided in sub. (3), buildings on leased lands
3 may be assessed either as real property or personal property.

4 **SECTION 6.** 70.17 (3) of the statutes is created to read:

5 70.17 (3) Beginning with the property tax assessments as of January 1, 2020,
6 manufactured and mobile homes, not otherwise exempt from taxation under s.
7 66.0435 (3), buildings on leased lands, buildings on exempt lands, buildings on forest
8 croplands, and buildings on managed forest lands shall be assessed as real property.
9 If buildings, but not the underlying land, are leased to a person other than the
10 landowner or if the buildings are owned by a person other than the landowner, the
11 assessor may create a separate tax parcel for the buildings and assess the buildings
12 as real property to the lessee or owner of the buildings. The assessor may also create
13 tax parcel for buildings on exempt lands, buildings on forest croplands, and buildings
14 on managed forest lands and assess the buildings as real property to the lessee or
15 owner of the buildings.

16 **SECTION 7.** 70.35 of the statutes is repealed.

17 **SECTION 8.** 70.36 of the statutes is repealed.

18 **SECTION 9.** 70.47 (15) of the statutes is repealed.

19 **SECTION 10.** 79.096 (1) of the statutes is renumbered 79.096 (1) (a).

20 **SECTION 11.** 79.096 (1) (b) of the statutes is created to read:

21 79.096 (1) (b) Beginning in 2021, and in each year thereafter, the department
22 of administration shall pay to each taxing jurisdiction, as defined in s. 79.095 (1) (c),
23 an amount equal to the property taxes levied on the items of personal property
24 described under s. 70.111 (28) (a) for the property tax assessments as of January 1,
25 2019.

ASSEMBLY BILL 288**SECTION 12**

1 **SECTION 12.** 79.096 (2) (a) of the statutes is renumbered 79.096 (2) (a) (intro.)
2 and amended to read:

3 79.096 **(2)** (a) (intro.) Each municipality shall report to the department of
4 revenue, in the time and manner determined by the department, the amount of the
5 property taxes levied on the items following on behalf of the municipality and on
6 behalf of other taxing jurisdictions:

7 1. All items of personal property described under s. 70.111 (27) (b) for the
8 property tax assessments as of January 1, 2017, ~~on behalf of the municipality and~~
9 ~~on behalf of other taxing jurisdictions.~~

10 **SECTION 13.** 79.096 (2) (a) 2. of the statutes is created to read:

11 79.096 **(2)** (a) 2. All items of personal property described under s. 70.111 (28)
12 (a) for the property tax assessments as of January 1, 2019.

13 **SECTION 14.** 79.096 (3) of the statutes is amended to read:

14 79.096 **(3)** Each taxing jurisdiction shall attribute to each tax incremental
15 district within the taxing jurisdiction the district's proportionate share of the amount
16 the taxing jurisdiction receives under sub. (1), ~~except that this subsection does not~~
17 ~~apply after.~~ After the district closes the taxing jurisdiction shall not attribute a
18 proportionate share of the amount it receives under sub. (1) to the district and shall
19 retain the amount it receives under sub. (1).

20 **SECTION 15.** 978.05 (6) (a) of the statutes is amended to read:

21 978.05 **(6)** (a) Institute, commence or appear in all civil actions or special
22 proceedings under and perform the duties set forth for the district attorney under ch.
23 980 and ss. 17.14, 30.03 (2), 48.09 (5), 59.55 (1), 59.64 (1), ~~70.36~~, 89.08, 103.92 (4),
24 109.09, 343.305 (9) (a), 806.05, 938.09, 938.18, 938.355 (6) (b) and (6g) (a), 946.86,
25 946.87, 961.55 (5), 971.14 and 973.075 to 973.077, perform any duties in connection

ASSEMBLY BILL 288

1 with court proceedings in a court assigned to exercise jurisdiction under chs. 48 and
2 938 as the judge may request and perform all appropriate duties and appear if the
3 district attorney is designated in specific statutes, including matters within chs. 782,
4 976 and 979 and ss. 51.81 to 51.85. Nothing in this paragraph limits the authority
5 of the county board to designate, under s. 48.09 (5), that the corporation counsel
6 provide representation as specified in s. 48.09 (5) or to designate, under s. 48.09 (6)
7 or 938.09 (6), the district attorney as an appropriate person to represent the interests
8 of the public under s. 48.14 or 938.14.

9 **SECTION 16. Effective date.**

10 (1) This act takes effect on January 1, 2020.

11 (END)