



1999 SENATE BILL 261

October 20, 1999 - Introduced by JOINT LEGISLATIVE COUNCIL. Referred to Joint survey committee on Tax Exemptions.

1 **AN ACT to amend** 70.36 (1); and **to create** 44.34 (13), 70.11 (40) and 70.36 (1r)
2 of the statutes; **relating to:** exempting certain barns and agricultural
3 outbuildings from property taxation and providing a penalty.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the joint legislative council in the bill.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, 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:

PREFATORY NOTE: This bill was prepared for the joint legislative council's special committee on the historic building code. The joint legislative council established the special committee and directed it to study the Wisconsin historic building code and its administration to ensure that the code effectively facilitates practical, cost-effective and safe historic rehabilitation projects, as well as any related issues.

This bill creates a property tax exemption for certain barns and agricultural outbuildings. For further information, see the NOTES that are included in the bill.

4 **SECTION 1.** 44.34 (13) of the statutes is created to read:
5 **44.34 (13)** Establish criteria for barns and agricultural outbuildings that are
6 exempt from taxation under s. 70.11 (40), prepare the form of an affidavit for a

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1 property owner to file under s. 70.11 (40) and disseminate information to the general
2 public regarding the criteria and affidavit under this subsection.

NOTE: This provision directs the state historical society to prepare information to assist the owners of barns and other agricultural outbuildings in claiming the property tax exemption for those types of buildings that is provided in this bill in new s. 70.11 (40). The information prepared by the state historical society will consist of methods for determining the ages and uses of a barn or agricultural outbuilding and a suggested form for the affidavit that the owner must submit to the assessor to claim the property tax exemption.

3 **SECTION 2.** 70.11 (40) of the statutes is created to read:

4 70.11 (40) BARNs AND AGRICULTURAL OUTBUILDINGS. A barn or an agricultural
5 outbuilding, if the owner of the barn or agricultural outbuilding files an affidavit
6 with the assessor of the taxation district in which the barn or agricultural
7 outbuilding is located that attests that the barn or agricultural outbuilding was
8 constructed before 1950; is unused, used for an agricultural purpose or used for a
9 nonagricultural purpose that generates less than \$2,000 in gross revenue annually;
10 is not used as a residence; and satisfies the criteria established by the state historical
11 society under s. 44.34 (13) regarding the age, condition, use, attributes and
12 significance to the rural landscape of the barn or agricultural outbuilding.

NOTE: This bill creates a property tax exemption for certain barns and other types of agricultural outbuildings. The property tax exemption applies only to the barn or agricultural outbuilding, and not to the land where the building is located.

The owner of the barn or agricultural outbuilding must submit an affidavit to the assessor to request the property tax exemption. The owner must attest in the affidavit that the barn or outbuilding was constructed prior to 1950 and that the current use of the barn or outbuilding meets the requirements of the state. The barn or outbuilding must be used for an agricultural purpose, unused or used for a nonagricultural commercial purpose that generates less than \$2,000 in gross revenue annually. It is not necessary for the barn to be located in an area that is zoned for agriculture or even that is predominately agricultural. The special committee expects that this property tax exemption will encourage the preservation of barns that are now in residential, commercial or manufacturing areas. The requirements related to the use of the barn or outbuilding will assure that the property tax exemption is not available for barns that have been converted to other productive uses, such as residences or retail establishments.

The state historical society is directed to promulgate criteria to be used by the assessor in determining eligibility. These criteria will specify the age, condition, qualities, significance and contribution to the rural landscape that is necessary in order for a barn or an agricultural outbuilding to qualify for the property tax exemption.

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1 **SECTION 3.** 70.36 (1) of the statutes is amended to read:

2 70.36 (1) Any Except as provided in sub. (1r), any person, firm or corporation
3 in this state owning or holding personal property of any nature or description,
4 individually or as agent, trustee, guardian, administrator, executor, assignee or
5 receiver or other representative capacity, which property is subject to assessment,
6 who shall intentionally make a false statement to the assessor of that person's, firm's
7 or corporation's assessment district or to the board of review thereof with respect to
8 such property, or who shall omit any property from any return required to be made
9 under s. 70.35, with the intent of avoiding the payment of the just and proportionate
10 taxes thereon, shall forfeit the sum of \$10 for every \$100 or major fraction thereof so
11 withheld from the knowledge of such assessor or board of review.

12 **SECTION 4.** 70.36 (1r) of the statutes is created to read:

13 70.36 (1r) Any person who intentionally files a false affidavit with the assessor
14 or the board of review of the taxation district in which the person's property is located
15 regarding property that is exempt under s. 70.11 (40) shall forfeit \$10 for every
16 \$1,000 or major fraction of \$1,000, of property taxes that the person avoided paying
17 by filing a false affidavit.

NOTE: This provision imposes a forfeiture of \$10 for each \$1,000 of property tax avoided if the owner of a barn or agricultural outbuilding intentionally submits a false affidavit to claim the property tax exemption, as provided in s. 70.11 (40), which is created by this bill. In addition, the amount of the taxes avoided for the prior 2 years can be recovered under s. 70.44 of the current statutes, and s. 946.32 of the current statutes imposes a criminal penalty for false swearing.

18 **SECTION 5. Initial applicability.**

19 (1) This act first applies to the property tax assessments as of the January 1
20 after the effective date of this subsection.

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(END)