



## 2003 ASSEMBLY BILL 701

December 12, 2003 - Introduced by Representatives BERCEAU, PLOUFF, POCAN, BLACK, KRUG, J. LEHMAN, GOTTLIEB, GIELOW, HUBER and HEBL, cosponsored by Senator RISSER. Referred to Committee on Financial Institutions.

1     **AN ACT** *to renumber and amend* 77.21 (1) and 77.22 (1); and *to create* 77.21  
2           (1) (b) and 77.22 (1) (c) of the statutes; **relating to:** conveying real property for  
3           real estate transfer fee purposes.

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### *Analysis by the Legislative Reference Bureau*

Under current law, a person who conveys real property to another must pay a real estate transfer fee at the rate of 30 cents for each \$100 of the property's value. The person pays the fee to the register of deeds for the county in which the property is located and files a return with the register of deeds which indicates, in part, the value of the ownership interest transferred by the conveyance. Under current law, a conveyance that occurs pursuant to a merger of corporations is exempt from the real estate transfer fee. For purposes of imposing the real estate transfer fee, a "conveyance" includes deeds and other instruments used to pass an ownership interest in real property.

Under this bill, for purposes of imposing the real estate transfer fee, a "conveyance" also includes a change of 50 percent or more in the ownership interest, not including a merger, of a general partnership, limited liability partnership, limited partnership, limited liability company, corporation, tax-option corporation, nonprofit or nonstock corporation, or other association, if any such entity has assets consisting of real estate.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 77.21 (1) of the statutes is renumbered 77.21 (1) (intro.) and  
2 amended to read:

3           77.21 (1) (intro.) “Conveyance” includes deeds all of the following:

4           (a) Deeds and other instruments for the passage of ownership interests in real  
5 estate, including contracts and assignments of a vendee’s interest therein, including  
6 instruments that are evidence of a sale of time-share property, as defined in s. 707.02  
7 (32), and including leases for at least 99 years but excluding leases for less than 99  
8 years, easements and wills.

9           **SECTION 2.** 77.21 (1) (b) of the statutes is created to read:

10           77.21 (1) (b) A change of 50 percent or more in the ownership interest, not  
11 including a merger, of a general partnership, limited liability partnership, limited  
12 partnership, limited liability company, corporation, tax-option corporation,  
13 nonprofit or nonstock corporation, or other association, if any such entity has assets  
14 consisting of real estate.

15           **SECTION 3.** 77.22 (1) of the statutes is renumbered 77.22 (1) (a) and amended  
16 to read:

17           77.22 (1) (a) There is imposed on the grantor of real estate a real estate transfer  
18 fee at the rate of 30 cents for each \$100 of value or fraction thereof on every  
19 conveyance not exempted or excluded under this subchapter. ~~In regard to land~~  
20 ~~contracts the value is the total principal amount that the buyer agrees to pay the~~  
21 ~~seller for the real estate. This fee~~

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1           **(b)** For a conveyance, as defined in s. 77.21 (1) (a), the fee imposed under par.  
2           **(a)** shall be collected by the register at the time the instrument of conveyance is  
3           submitted for recording. Except as provided in s. 77.255, at the time of submission  
4           the grantee or his or her duly authorized agent or other person acquiring an  
5           ownership interest under the instrument, or the clerk of court in the case of a  
6           foreclosure under s. 846.16 (1), shall execute a return, signed by both grantor and  
7           grantee, on the form prescribed under sub. (2). The register shall enter the fee paid  
8           on the face of the deed or other instrument of conveyance before recording, and,  
9           except as provided in s. 77.255, submission of a completed real estate transfer return  
10          and collection by the register of the fee shall be prerequisites to acceptance of the  
11          conveyance for recording. The register shall have no duty to determine either the  
12          correct value of the real estate transferred or the validity of any exemption or  
13          exclusion claimed. If the transfer is not subject to a fee as provided in this  
14          subchapter, the reason for exemption shall be stated on the face of the conveyance  
15          to be recorded by reference to the proper subsection under s. 77.25.

16           **SECTION 4.** 77.22 (1) (c) of the statutes is created to read:

17           **77.22 (1) (c)** For a conveyance, as defined in s. 77.21 (1) (b), the fee imposed  
18           under par. (a) shall be collected by the department of revenue at the time that the  
19           instrument of conveyance is submitted for recording. At the time of submission, the  
20           grantee or his or her duly authorized agent or other person acquiring an ownership  
21           interest under the instrument shall execute a return, signed by both grantor and  
22           grantee, on the form prescribed under sub. (2). The department of revenue shall  
23           enter the fee paid on the face of the instrument of conveyance before recording, and  
24           submission of a completed real estate transfer return and collection of the fee by the  
25           department shall be prerequisites to acceptance of the conveyance for recording.

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**SECTION 5**

1 **SECTION 5. Initial applicability.**

2 (1) This act first applies to a conveyance of real property occurring on the  
3 effective date of this subsection.

4 **(END)**