LRB-0994/1 JK:jld:md

2009 ASSEMBLY BILL 159

March 19, 2009 – Introduced by Representatives Hixson, Berceau, Benedict, Fields, Seidel, Kestell, Townsend, Ballweg and Davis, cosponsored by Senators Robson, Olsen and Grothman. Referred to Committee on Urban and Local Affairs.

AN ACT to amend 74.23 (1) (a) 4., 74.25 (1) (a) 4., 74.30 (1) (d), 74.41 (1) (intro.)
and 74.42 (1); and to create 74.41 (1) (e) of the statutes; relating to: the
charge-back of refunded or rescinded taxes and of personal property taxes and
sharing certain collected taxes.

Analysis by the Legislative Reference Bureau

Under current law, no later than October 1 of each year, a taxation district clerk may submit to the Department of Revenue (DOR) a list of property taxes on the district's tax roll that have been refunded to taxpayers or rescinded. The list may also include property taxes that the district collected as a result of certain errors in the district's tax roll. Under current law, the taxation district must distribute a proportionate share of the amount of any such collected taxes to the taxing jurisdictions that are part of the taxation district. Under this bill, a taxation district clerk must submit the district's list of refunded or rescinded taxes to DOR and must include on the list the amount of any property taxes collected on property that was omitted from the property tax roll in the previous two years and distribute a proportionate share of that amount to the taxing jurisdictions that are part of the taxation district.

Under current law, no earlier than February 2 and no later than April 1, a taxation district treasurer may charge back to each taxing jurisdiction its proportionate share of personal property taxes that the taxation district settled in full the previous February, that were delinquent at the time of settlement, that have not been collected in the year following the settlement, and that remain delinquent.

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Under this bill, the personal property taxes that a taxation district may charge back to the taxing jurisdictions are personal property taxes owed by an entity that has ceased operations or due on personal property that has been removed from the next assessment roll.

Under current law, a taxing jurisdiction must pay the taxation district the amount of any charge-back of personal property taxes within 30 days of receiving the charge-back notice from the taxation district. Under the bill, a taxing jurisdiction must pay the taxation district the amount of any charge-back of personal property taxes no later than May 1.

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:

Section 1. 74.23 (1) (a) 4. of the statutes is amended to read: 1 $\mathbf{2}$ 74.23 (1) (a) 4. Retain all collections of omitted property taxes under s. 70.44, except those subject to a charge-back under s. 74.41 or 74.42. 3 4 **Section 2.** 74.25 (1) (a) 4. of the statutes is amended to read: 5 74.25 (1) (a) 4. Retain all collections of omitted property taxes under s. 70.44, 6 except those subject to a charge-back under s. 74.41 or 74.42. **Section 3.** 74.30 (1) (d) of the statutes is amended to read: 7 8 74.30 (1) (d) Retain all collections of omitted property taxes under s. 70.44, 9 except those subject to a charge-back under s. 74.41 or 74.42. **Section 4.** 74.41 (1) (intro.) of the statutes is amended to read: 10 11 74.41 (1) Submission of refunded or rescinded taxes to department. (intro.) 12

By October 1 of each year, the clerk of a taxation district may shall submit to the department of revenue, on a form prescribed by the department of revenue, a listing of all general property taxes on the district's tax roll which, subject to sub. (2), meet any of the following conditions:

Section 5. 74.41 (1) (e) of the statutes is created to read:

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Section 6. 74.42 (1) of the statutes is amended to read:

74.42 (1) Charge back. No earlier than February 2 and no later than April 1, the taxation district treasurer may charge back to each taxing jurisdiction within the taxation district, except this state, its proportionate share of those personal property taxes for which the taxation district settled in full the previous February, which were delinquent at the time of settlement, which have not been collected in the intervening year, and which remain delinquent, if the taxes are owed by an entity that has ceased operations or are due on personal property that has been removed from the next assessment roll. At the same time, if there are charge-backs, the taxation district treasurer shall charge back to the county the state's proportionate share of those taxes. Within 30 days No later than the first May 1 after receipt of a notice of a charge-back, the taxing jurisdiction shall pay to the taxation district treasurer the amount due, and the state shall pay to the proper county treasurer the amount due.

SECTION 7. Initial applicability.

(1) This act first applies to the property tax assessments as of January 1, 2009.

17 (END)