



## 2019 SENATE BILL 338

August 8, 2019 - Introduced by Senator TIFFANY, cosponsored by Representatives SWEARINGEN, KITCHENS and FELZKOWSKI. Referred to Committee on Agriculture, Revenue and Financial Institutions.

1     **AN ACT** *to amend* 66.1113 (2) (a) and 66.1113 (2) (b); and *to create* 66.1113 (2)  
2           (k), 66.1113 (2) (L) and 66.1113 (2) (m) of the statutes; **relating to:** authorizing  
3           the town of Minocqua in Oneida County, the city of Sturgeon Bay, and the city  
4           of Tomahawk to become premier resort areas.

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### ***Analysis by the Legislative Reference Bureau***

This bill allows the town of Minocqua in Oneida County, the city of Sturgeon Bay, and the city of Tomahawk to become premier resort areas notwithstanding the fact that they do not meet the generally applicable requirement that at least 40 percent of the equalized assessed value of the taxable property within a political subdivision be used by tourism-related retailers (the 40 percent requirement). "Tourism-related retailers" is defined to be certain retailers who are classified in the *Standard Industrial Classification Manual* published by the U.S. Office of Management and Budget. The statutory definition includes 21 retailers who are so classified, including variety stores, dairy product stores, gasoline service stations, eating places, drinking places, and hotels and motels.

Currently, a number of cities and villages are authorized to enact an ordinance or adopt a resolution to become a premier resort area notwithstanding the fact that none of these cities or villages meet the 40 percent requirement. As is the case with the villages of Sister Bay, Ephraim, and Stockholm and the city of Rhinelander, the premier resort area tax may not take effect in Minocqua, Sturgeon Bay, or Tomahawk unless it is approved in a referendum of the electors.

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A premier resort area may impose a tax at a rate of 0.5 percent of the gross receipts from the sale, lease, or rental of goods or services that are subject to the general sales and use tax and are sold by tourism-related retailers. The proceeds of the tax may be used only to pay for infrastructure expenses within the jurisdiction of the premier resort area. The definition of “infrastructure expenses” includes the costs of purchasing, constructing, or improving parking lots; transportation facilities, including roads and bridges; sewer and water facilities; recreational facilities; exposition center facilities; fire fighting equipment; and police vehicles. In the case of Rhinelander, however, the city may use the proceeds of the tax only to pay for transportation-related infrastructure expenses.

Under this bill, the town of Minocqua, the city of Sturgeon Bay, and the city of Tomahawk may use the proceeds of the tax only to pay for transportation-related infrastructure expenses, other than recreational-related expenses. Also under the bill, neither the town nor the cities may spend less on transportation-related expenditures in the current year than the average amount they spent on such expenses in the five most recent years.

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.** 66.1113 (2) (a) of the statutes is amended to read:

2           66.1113 (2) (a) The governing body of a political subdivision, by a two-thirds  
3 vote of the members of the governing body who are present when the vote is taken,  
4 may enact an ordinance or adopt a resolution declaring itself to be a premier resort  
5 area if, except as provided in pars. (e), (f), (g), (h), (i), ~~and (j)~~, (k), (L), and (m), at least  
6 40 percent of the equalized assessed value of the taxable property within such  
7 political subdivision is used by tourism-related retailers.

8           **SECTION 2.** 66.1113 (2) (b) of the statutes is amended to read:

9           66.1113 (2) (b) Subject to pars. (g), (h), (i), ~~and (j)~~, (k), (L), and (m), a political  
10 subdivision that is a premier resort area may impose the tax under s. 77.994.

11           **SECTION 3.** 66.1113 (2) (k) of the statutes is created to read:

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1           66.1113 (2) (k) The town of Minocqua in Oneida County may enact an ordinance  
2 or adopt a resolution declaring itself to be a premier resort area under par. (a) even  
3 if less than 40 percent of the equalized assessed value of the taxable property within  
4 Minocqua is used by tourism-related retailers. The town may not impose the tax  
5 authorized under par. (b) unless the town board adopts a resolution proclaiming its  
6 intent to impose the tax and the resolution is approved by a majority of the electors  
7 in the town voting on the resolution at a referendum, to be held at the first spring  
8 primary or election or partisan primary or general election following by at least 70  
9 days the date of adoption of the resolution. Notwithstanding par. (d), the town may  
10 use the proceeds from a tax that is imposed under s. 77.994 and this subsection only  
11 to pay for transportation-related infrastructure expenses within the jurisdiction,  
12 other than recreational-related infrastructure expenses, and the town may not  
13 spend an amount on transportation-related expenditures in the current year that  
14 is less than the average of the amount it spend on such expenditures in the 5 most  
15 recent years.

16           **SECTION 4.** 66.1113 (2) (L) of the statutes is created to read:

17           66.1113 (2) (L) The city of Sturgeon Bay may enact an ordinance or adopt a  
18 resolution declaring itself to be a premier resort area under par. (a) even if less than  
19 40 percent of the equalized assessed value of the taxable property within Sturgeon  
20 Bay is used by tourism-related retailers. The city may not impose the tax authorized  
21 under par. (b) unless the common council adopts a resolution proclaiming its intent  
22 to impose the tax and the resolution is approved by a majority of the electors in the  
23 city voting on the resolution at a referendum, to be held at the first spring primary  
24 or election or partisan primary or general election following by at least 70 days the  
25 date of adoption of the resolution. Notwithstanding par. (d), the city may use the

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1 proceeds from a tax that is imposed under s. 77.994 and this subsection only to pay  
2 for transportation-related infrastructure expenses within the jurisdiction, other  
3 than recreational-related infrastructure expenses, and the city may not spend an  
4 amount on transportation-related expenditures in the current year that is less than  
5 the average of the amount it spend on such expenditures in the 5 most recent years.

6 **SECTION 5.** 66.1113 (2) (m) of the statutes is created to read:

7 66.1113 (2) (m) The city of Tomahawk may enact an ordinance or adopt a  
8 resolution declaring itself to be a premier resort area under par. (a) even if less than  
9 40 percent of the equalized assessed value of the taxable property within Tomahawk  
10 is used by tourism-related retailers. The city may not impose the tax authorized  
11 under par. (b) unless the common council adopts a resolution proclaiming its intent  
12 to impose the tax and the resolution is approved by a majority of the electors in the  
13 city voting on the resolution at a referendum, to be held at the first spring primary  
14 or election or partisan primary or general election following by at least 70 days the  
15 date of adoption of the resolution. Notwithstanding par. (d), the city may use the  
16 proceeds from a tax that is imposed under s. 77.994 and this subsection only to pay  
17 for transportation-related infrastructure expenses within the jurisdiction, other  
18 than recreational-related infrastructure expenses, and the city may not spend an  
19 amount on transportation-related expenditures in the current year that is less than  
20 the average of the amount it spend on such expenditures in the 5 most recent years.

21 **SECTION 6. Effective date.**

22 (1) This act takes effect on the first day of the calendar quarter beginning at  
23 least 120 days after publication.

24 (END)