



2005 ASSEMBLY BILL 224

March 16, 2005 - Introduced by Representatives AINSWORTH, HAHN, HINES, LOTHIAN, MUSSER, NERISON, OTT, OWENS, TOWNSEND and VAN ROY, cosponsored by Senators KEDZIE, BRESKE and ROESSLER. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 76.39 (2); and **to create** 76.39 (1) (am) of the statutes; **relating**
2 **to:** the tax rate of the tax imposed on car line companies.

Analysis by the Legislative Reference Bureau

Under current law, the state annually imposes a tax on car line companies that is equal to 3 percent of a car line company's gross earnings in this state. A car line company is any person, not including a person who operates a railroad, who is in the business of leasing or otherwise furnishing car line equipment to a railroad.

Under this bill, the tax imposed on a car line company is equal to the amount of the car line company's gross earnings in this state multiplied by the average net rate of taxation, as determined by the Department of Revenue. The average net rate of taxation is determined by subtracting the total state property tax credits paid in the year from the total of all general property taxes paid in this state in the year and dividing the result by the state assessment of all general property in this state.

For further information see the *state* 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:

3 **SECTION 1.** 76.39 (1) (am) of the statutes is created to read:
4 76.39 (1) (am) "Average net rate of taxation" means the average net rate of
5 taxation determined under s. 76.126 as of June of the year prior to the assessment.

