

No. 909, A.

Published  
December 18, 1964.  
Effective December 19, 1964.

CHAPTER 579

AN ACT to amend 71.14 (3) ; and to create 71.14 (6) of the statutes, relating to the time for filing claims due to erroneous allocation of income tax revenues in certain cases and the ratio of adjustment to be used for the distribution occasioned by such error.

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

SECTION 1. 71.14 (3) of the statutes, as amended by chapter 224, laws of 1963, is amended to read:

71.14 (3) Whenever income has been attributed to an erroneous situs under sub. (1) (c) 1, (2) (a) \* \* \* , (2a) (c) 1 or their predecessor income tax allocation statute, such portion of the tax collections allocated erroneously \* \* \* shall be paid by the county, town, village or city erroneously receiving the same, to the county, town, village or city entitled thereto; but no such payment shall be made except on the written approval of the department of taxation. Such claim must be made within 3 years of the claimed \* \* \* erroneous allocation, *except that claims for erroneous allocation of taxes of persons other than corporations collected during the periods July 1, 1961, to September 30, 1962, and October 1, 1962, to October 31, 1963, may be made within 4 years of November 15, 1962, and November 30, 1963, respectively; and except that claims for erroneous allocation of corporate income taxes collected during the periods July 1, 1961, to September 30, 1962, and October 1, 1962, to October 31, 1963, may be made within 4 years of November 15, 1962, and November 30, 1963, respectively; and except that claims for erroneous allocation of taxes of corporations and persons other than corporations during the period July 1, 1959, to June 30, 1961, may be made within 5 years of erroneous August 15 allocations and within 5 years of the following August 15 in case of erroneous May 15 allocations.* If the amount of the claim is approved by the department and not paid by the county, town, village or city erroneously receiving it, such amount shall be deducted from its next apportionment, or next apportionments and paid to the county, town, village or city entitled thereto.

SECTION 2. 71.14 (6) of the statutes is created to read:

71.14 (6) (a) Whenever an erroneous November allocation has been made under sub. (1) (c) or (2a) (c) as a result of omission of an income tax liability from the numerator of the allocation ratio of a particular county, town, village or city and also from the denominator of the allocation ratios of all counties, towns, villages and cities, the amount so omitted shall be added to the numerator of the allocation ratio of the particular county, town, village or city and to the denominator of the allocation ratios of all counties, towns, villages and cities in making the November allocation next succeeding the discovery of such omission.

(b) Whenever an erroneous November allocation has been made under sub. (1) (c) or (2a) (c) as a result of overstating an income tax liability in the numerator of the allocation ratio of a particular county, town, village or city and also in the denominator of the allocation ratios of all counties, towns, villages and cities, the amount so overstated shall be

subtracted from the numerator of the allocation ratio of the particular county, town, village or city and from the denominator of the allocation ratios of all counties, towns, villages and cities in making the November allocation next succeeding the discovery of such overstatement. If the numerator of the next succeeding allocation ratio of the particular county, town, village or city, prior to deducting the overstatement, is less than the amount so overstated, the excess overstatement shall be corrected in the same manner in subsequent November allocations, except that, if the overstatement to a particular county, town, village or city is in an amount which in the opinion of the commissioner of taxation cannot be corrected in the 3 November allocations next succeeding the discovery of the overstatement, the commissioner of taxation may make written demand upon such county, town, village or city for the return of income taxes erroneously distributed to it as a result of such overstatement, and the amounts so recovered shall be added to the amount of income taxes apportioned to counties, towns, villages and cities in the next succeeding November apportionment.

(c) Whenever the department of taxation discovers an erroneous November allocation resulting from omissions or overstatements referred to in par. (a) or (b), prior to making the apportionments of the following year under sub. (1) (a), (1) (b), (2a) (a) or (2a) (b), the apportionment amounts determined thereunder may be adjusted by the department of taxation so as near as possible to obtain apportionments which will correct for the said omissions or overstatements.

(d) The department shall correct for omissions or overstatements under par. (a) or (b) only if notified thereof within 4 years of such omission or overstatement.

Approved December 11, 1964.

---