



## 1997 ASSEMBLY JOINT RESOLUTION 4

January 21, 1997 - Introduced by Representatives WASSERMAN, LADWIG, BOCK, BLACK, BOYLE, CARPENTER, GOETSCH, HASENOHRL, HUBER, KREIBICH, MUSSER, NOTESTEIN, SPRINGER, GROTHMAN and R. POTTER, cosponsored by Senators DECKER, GROBSCHMIDT, MOEN, C. POTTER and WIRCH. Referred to Committee on Elections and Constitutional Law.

- 1 **To amend** section 1 of article VIII of the constitution; **relating to:** using the lottery  
2 proceeds to reduce property taxes on principal dwellings (first consideration).

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### *Analysis by the Legislative Reference Bureau*

This proposed constitutional amendment, proposed to the 1997 legislature on first consideration, permits the legislature to use lottery proceeds to reduce property taxes on principal dwellings.

The general statement of the Wisconsin Constitution that the “rule of taxation shall be uniform” is already subject to a number of exceptions: real estate taxes may be collected in more than one way; forests, minerals, agricultural land, undeveloped land and certain kinds of personal property may be taxed differently than is other property; and nonuniform income taxes, privilege taxes and occupational taxes may be imposed.

In addition to the substantive changes, this joint resolution makes stylistic changes and breaks this section into subsections to facilitate future amendments and to avoid conflicts if other amendments to this section are proposed.

A constitutional amendment requires adoption by 2 successive legislatures, and ratification by the people, before it can become effective. The proposed amendment is not self-executing; consequently, even after ratification, no change will occur until the legislature enacts laws authorizing the property tax relief.

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3 **Resolved by the assembly, the senate concurring, That:**

4 **SECTION 1.** Section 1 of article VIII of the constitution is amended to read:

1 [Article VIII] Section 1. The rule of taxation shall be uniform ~~but the~~ except as  
2 follows:

3 (1) The legislature may empower by law authorize cities, villages or towns to  
4 collect and return taxes on real estate located therein by optional methods.

5 (2) (a) Taxes shall be levied upon such property with such classifications as to  
6 forests and minerals including or separate or severed from the land, as the  
7 legislature ~~shall prescribe~~ prescribes by law.

8 (b) Taxation of agricultural land and undeveloped land, both as defined by law,  
9 need not be uniform with the taxation of each other nor with the taxation of other real  
10 property.

11 (3) Taxation of merchants' stock-in-trade, manufacturers' materials and  
12 finished products, and livestock need not be uniform with the taxation of real  
13 property and other personal property, but the taxation of all such merchants'  
14 stock-in-trade, manufacturers' materials and finished products and livestock shall  
15 be uniform, except that the legislature may provide by law that the value thereof  
16 shall be determined on an average basis. ~~Taxes may also be imposed~~

17 (4) The legislature may by law impose taxes on incomes, privileges and  
18 occupations, which taxes may be graduated and progressive, and reasonable  
19 exemptions may be provided.

20 (5) The legislature may reduce property taxes imposed on principal dwellings,  
21 as defined by law, by creating property tax credits for which lottery proceeds are  
22 expended.

