



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-6123/1
JK&SWB:all

2021 ASSEMBLY BILL 1033

February 17, 2022 - Introduced by LAW REVISION COMMITTEE. Referred to
Committee on Rules.

1 **AN ACT** *to repeal* 60.85 (2) (b) 7., 60.85 (5) (e), 66.1105 (2) (f) 1. m., 66.1105 (6)
2 (am) 2. e., 66.1105 (6) (am) 2. f., 71.07 (5e), 71.10 (4) (gy), 71.28 (5e), 71.30 (3)
3 (es), 71.47 (5e), 71.49 (1) (es), 77.51 (5m), 77.585 (9), 120.135 and 121.91 (4) (h);
4 **to renumber and amend** 77.54 (14m); and **to amend** 60.85 (2) (c), 60.85 (3)
5 (h) 4., 60.85 (3) (h) 5. a., 60.85 (3) (h) 5. c., 66.1105 (2) (f) 1. (intro.), 66.1105 (2)
6 (f) 1. n., 66.1105 (18) (c) 2., 70.47 (8) (d), 70.48, 71.05 (6) (a) 15., 71.08 (1) (intro.),
7 71.21 (4) (a), 71.26 (2) (a) 4., 71.34 (1k) (g), 71.45 (2) (a) 10., 77.52 (13), 77.53 (10)
8 and 121.07 (6) (a) (intro.) of the statutes; **relating to:** obsolete statutory
9 references; electronic assessment rolls; obsolete tax benefits for the purchase
10 of Internet equipment used in the broadband market; board of review provision
11 related to an objector; the sales tax exemption for insulin; and sales tax
12 exemption certificates for farm-raised fish and patient health care records
13 (suggested as remedial legislation by the Department of Revenue).

Analysis by the Legislative Reference Bureau

This bill does all of the following, as suggested by the Department of Revenue:

ASSEMBLY BILL 1033***Obsolete statutory references***

The bill repeals obsolete statutory references relating to tax incremental financing districts and obsolete references relating to a capital improvement fund for schools.

Electronic assessment rolls

Under current law, when a board of review changes an assessor's valuation of property, the clerk is required to revise the assessment roll by using red ink to cross out the assessor's valuation and enter the board's valuation. The bill modifies the requirement to reflect the use of electronic assessment rolls. Under the bill, the clerk is required to enter the board's valuation and a note about the change to the assessor's valuation into the assessment roll, but there is no requirement to use red ink or to cross out the assessor's valuation.

Internet equipment in the broadband market

The bill eliminates obsolete tax deductions, credits, and exemptions for certain Internet equipment used in the broadband market and purchased before July 1, 2009.

Objecting to property tax assessments

Under current law, when the local board of review conducts a hearing to consider an objection to a person's property tax assessment, the board must, at the request of the assessor or the person making an objection, compel the attendance of witnesses. The bill eliminates the option for the person making the objection to request the attendance of witnesses.

Sales tax exemption certificates

Under current law, drugs prescribed for the treatment of a human being by a person authorized to prescribe the drugs, and dispensed on prescription filled by a pharmacist, are exempt from the sales tax. Generally, a person does not need to present to the seller a sales tax exemption certificate issued by DOR to claim the exemption.

Under current law, insulin furnished by a pharmacist to a person for treatment of diabetes as directed by a physician is considered to be dispensed on prescription and, therefore, exempt from the sales tax. However, a person must present a tax exemption certificate to claim the exemption. The bill modifies the exemption for insulin so that insulin furnished by a pharmacist to a person for treatment of diabetes of a human being is exempt from the sales tax and the purchaser is not required to present an exemption certificate.

Current law also provides sales tax exemptions for patient health care records that are sold to the patient and for farm-raised fish sold to a fish farm. In order to claim either exemption, the purchaser must present to the seller an exemption certificate issued by DOR. The bill eliminates the requirement that a purchaser present an exemption certificate to claim the exemption for patient health care records or for farm-raised fish.

ASSEMBLY BILL 1033

For further information, see the NOTES provided by the Law Revision Committee of the Joint Legislative Council.

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

LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the Department of Revenue and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4. and 5., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

1 **SECTION 1.** 60.85 (2) (b) 7. of the statutes is repealed.

NOTE: This SECTION repeals an exception to the town tax increment law for the town of Brookfield in Waukesha County. SECTIONS 2 to 5 delete cross-references to this exception.

2 **SECTION 2.** 60.85 (2) (c) of the statutes is amended to read:

3 60.85 (2) (c) ~~Except as provided in par. (b) 7., no~~ No town may exercise any
4 power under this subsection within the extraterritorial zoning jurisdiction of a city
5 or village, as that term is defined in s. 62.23 (7a) (a), unless the city's or village's
6 governing body adopts a resolution which approves the town's exercise of power
7 under this subsection within such an extraterritorial zoning jurisdiction.

8 **SECTION 3.** 60.85 (3) (h) 4. of the statutes is amended to read:

9 60.85 (3) (h) 4. Declares the district to be either an agricultural project district,
10 forestry project district, manufacturing project district, or tourism project district,
11 and identifies the North American Industry Classification System industry number
12 of each activity under each project for which project costs are to be expended; ~~or~~
13 declares the district to be a project described in sub. (2) (b) 7.

14 **SECTION 4.** 60.85 (3) (h) 5. a. of the statutes is amended to read:

15 60.85 (3) (h) 5. a. That not less than 75 percent, by area, of the real property
16 within the district is to be used for projects of a single one of the project types listed
17 under sub. (2) (b) 1. to 4. ~~or 7.~~ and in accordance with the declaration under subd. 4.

ASSEMBLY BILL 1033**SECTION 5**

1 **SECTION 5.** 60.85 (3) (h) 5. c. of the statutes is amended to read:

2 60.85 (3) (h) 5. c. That the project costs of the district are limited to those
3 specified under sub. (2) (b) and relate directly to ~~a project described in sub. (2) (b)~~
4 ~~7. or to~~ promoting agriculture, forestry, manufacturing, or tourism development.

5 **SECTION 6.** 60.85 (5) (e) of the statutes is repealed.

NOTE: This SECTION repeals a requirement that a town clerk, no later than May 15 each year, file with the department of revenue a list of the expenditures made in the previous year for a town tax incremental district.

6 **SECTION 7.** 66.1105 (2) (f) 1. (intro.) of the statutes is amended to read:

7 66.1105 (2) (f) 1. (intro.) “Project costs” mean any expenditures made or
8 estimated to be made or monetary obligations incurred or estimated to be incurred
9 by the city which are listed in a project plan as costs of public works or improvements
10 within a tax incremental district or, to the extent provided in this subd. 1. (intro.) or
11 subds. 1. k., ~~1. m.~~, and 1. n., or sub. (20) (c), without the district, plus any incidental
12 costs, diminished by any income, special assessments, or other revenues, including
13 user fees or charges, other than tax increments, received or reasonably expected to
14 be received by the city in connection with the implementation of the plan. For any
15 tax incremental district for which a project plan is approved on or after July 31, 1981,
16 only a proportionate share of the costs permitted under this subdivision may be
17 included as project costs to the extent that they benefit the tax incremental district,
18 except that expenditures made or estimated to be made or monetary obligations
19 incurred or estimated to be incurred by a 1st class city, to fund parking facilities
20 ancillary to and within one mile from public entertainment facilities, including a
21 sports and entertainment arena, shall be considered to benefit any tax incremental
22 district located in whole or in part within a one-mile radius of such parking facilities.

ASSEMBLY BILL 1033

1 To the extent the costs benefit the municipality outside the tax incremental district,
2 a proportionate share of the cost is not a project cost. "Project costs" include:

3 **SECTION 8.** 66.1105 (2) (f) 1. m. of the statutes is repealed.

NOTE: This SECTION repeals a statute relating to project costs for a one-half mile radius of a tax incremental district in the city of Kenosha. SECTIONS 7 and 12 delete a cross-reference to this statute. SECTION 9 deletes language that is obsolete after the repeal of the statute in this SECTION.

4 **SECTION 9.** 66.1105 (2) (f) 1. n. of the statutes is amended to read:

5 66.1105 (2) (f) 1. n. ~~With regard to a tax incremental district that is located~~
6 ~~anywhere other than a city to which sub. (6) (d) applies, and subject~~ Subject to sub.
7 (4m) (d), project costs incurred for territory that is located within a one-half mile
8 radius of the district's boundaries and within the city that created the district.

9 **SECTION 10.** 66.1105 (6) (am) 2. e. of the statutes is repealed.

NOTE: This SECTION repeals an exception for a tax incremental district in the village of Denmark.

10 **SECTION 11.** 66.1105 (6) (am) 2. f. of the statutes is repealed.

NOTE: This SECTION repeals an exception for a tax incremental district in the city of Marinette.

11 **SECTION 12.** 66.1105 (18) (c) 2. of the statutes is amended to read:

12 66.1105 (18) (c) 2. Notwithstanding the provisions under sub. (2) (f) 1. k., ~~m.~~,
13 and n., a multijurisdictional tax incremental district may not incur project costs for
14 any area that is outside of the district's boundaries.

15 **SECTION 13.** 70.47 (8) (d) of the statutes is amended to read:

16 70.47 (8) (d) It may and upon request of the assessor ~~or the objector~~ shall compel
17 the attendance of witnesses, except objectors who may testify by telephone, and the
18 production of all books, inventories, appraisals, documents and other data which
19 may throw light upon the value of property.

NOTE: This SECTION completes the repeal of language the Wisconsin Supreme Court found unconstitutional in Metropolitan Associates v. City of Milwaukee, 2011 WI 20, and reinstates statutory language that existed prior to the modifications made by

ASSEMBLY BILL 1033**SECTION 13**

2007 Wisconsin Act 86 deemed unconstitutional by the court. This repeal was inadvertently omitted from 2017 Wisconsin Act 358, prior remedial legislation.

1 **SECTION 14.** 70.48 of the statutes is amended to read:

2 **70.48 Assessor to attend board of review.** The assessor or the assessor's
3 authorized representative shall attend without order or subpoena all hearings before
4 the board of review and under oath submit to examination and fully disclose to the
5 board such information as the assessor may have touching the assessment and any
6 other matters pertinent to the inquiry being made. All part-time assessors shall
7 receive the same compensation for such attendance as is allowed to the members of
8 the board but no county assessor or member of a county assessor's staff shall receive
9 any compensation other than that person's regular salary for attendance at a board
10 of review. The clerk shall make all corrections to the assessment roll ordered by the
11 board of review, including all changes in the valuation of real property. When any
12 valuation of real property is changed, the clerk shall enter the valuation fixed by the
13 board ~~in red ink in the proper class above the figures of the assessor, and the figures~~
14 ~~of the assessor shall be crossed out with red ink~~ and enter a note of the valuation of
15 the assessor and the change to that valuation made by the board. The clerk shall also
16 enter upon the assessment roll, in the proper place, the names of all persons found
17 liable to taxation on personal property by the board of review, setting opposite such
18 names respectively the aggregate valuation of such property as determined by the
19 assessor, after deducting exemptions and making such corrections as the board has
20 ordered. All changes in valuation of personal property made by the board of review
21 shall be made in the same manner as changes in real estate.

NOTE: This SECTION requires a clerk, when any valuation of real property is changed, to enter a note of the valuation made by the assessor and the change to a valuation made by the board of review.

22 **SECTION 15.** 71.05 (6) (a) 15. of the statutes is amended to read:

ASSEMBLY BILL 1033

1 71.05 (6) (a) 15. Except as provided under s. 71.07 (3p) (c) 5., the amount of the
2 credits computed under s. 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3q), (3s), (3t),
3 (3w), (3wm), (3y), (4k), (4n), ~~(5e)~~, (5i), (5j), (5k), (5r), (5rm), (6n), and (10) and not
4 passed through by a partnership, limited liability company, or tax-option
5 corporation that has added that amount to the partnership's, company's, or
6 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

7 **SECTION 16.** 71.07 (5e) of the statutes is repealed.

NOTE: This SECTION repeals an individual credit that does not apply for taxable
years that begin after December 31, 2013. SECTIONS 15 and 17 to 20 repeal
cross-references to this credit.

8 **SECTION 17.** 71.08 (1) (intro.) of the statutes is amended to read:

9 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
10 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
11 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3q), (3s), (3t), (3w), (3wm), (3y), (4k), (5b), (5d),
12 ~~(5e)~~, (5i), (5j), (5n), (6), (6e), (8b), (9e), (9m), and (9r), 71.28 (1dx), (1dy), (2m), (3), (3n),
13 (3t), (3w), (3wm), and (3y), 71.47 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.57
14 to 71.61, and 71.613 and subch. VIII and payments to other states under s. 71.07 (7),
15 is less than the tax under this section, there is imposed on that natural person,
16 married couple filing jointly, trust or estate, instead of the tax under s. 71.02, an
17 alternative minimum tax computed as follows:

18 **SECTION 18.** 71.10 (4) (gy) of the statutes is repealed.

19 **SECTION 19.** 71.21 (4) (a) of the statutes is amended to read:

20 71.21 (4) (a) The amount of the credits computed by a partnership under s.
21 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3q), (3s), (3t), (3w), (3wm), (3y), (4k), (4n),
22 ~~(5e)~~, (5g), (5i), (5j), (5k), (5r), (5rm), (6n), and (10) and passed through to partners
23 shall be added to the partnership's income.

ASSEMBLY BILL 1033

1 **SECTION 20.** 71.26 (2) (a) 4. of the statutes, as affected by 2021 Wisconsin Act
2 127, is amended to read:

3 71.26 **(2)** (a) 4. Plus the amount of the credit computed under s. 71.28 (1dm),
4 (1dx), (1dy), (3g), (3h), (3n), (3q), (3t), (3w), (3wm), (3y), ~~(5e)~~, (5g), (5i), (5j), (5k), (5r),
5 (5rm), (6n), and (10) and not passed through by a partnership, limited liability
6 company, or tax-option corporation that has added that amount to the partnership's,
7 limited liability company's, or tax-option corporation's income under s. 71.21 (4) or
8 71.34 (1k) (g).

9 **SECTION 21.** 71.28 (5e) of the statutes is repealed.

NOTE: This SECTION repeals a corporate credit that does not apply for taxable years
that begin after December 31, 2013. SECTIONS 22 and 23 repeal cross-references to this
credit.

10 **SECTION 22.** 71.30 (3) (es) of the statutes is repealed.

11 **SECTION 23.** 71.34 (1k) (g) of the statutes is amended to read:

12 71.34 **(1k)** (g) An addition shall be made for credits computed by a tax-option
13 corporation under s. 71.28 (1dm), (1dx), (1dy), (3), (3g), (3h), (3n), (3q), (3t), (3w),
14 (3wm), (3y), (4), (5), ~~(5e)~~, (5g), (5i), (5j), (5k), (5r), (5rm), (6n), and (10) and passed
15 through to shareholders.

16 **SECTION 24.** 71.45 (2) (a) 10. of the statutes, as affected by 2021 Wisconsin Act
17 127, is amended to read:

18 71.45 **(2)** (a) 10. By adding to federal taxable income the amount of credit
19 computed under s. 71.47 (1dm) to (1dy), (3g), (3h), (3n), (3q), (3w), (3y), ~~(5e)~~, (5g), (5i),
20 (5j), (5k), (5r), (5rm), (6n), and (10) and not passed through by a partnership, limited
21 liability company, or tax-option corporation that has added that amount to the
22 partnership's, limited liability company's, or tax-option corporation's income under

ASSEMBLY BILL 1033

1 s. 71.21 (4) or 71.34 (1k) (g) and the amount of credit computed under s. 71.47 (1), (3),
2 (3t), (4), (4m), and (5).

3 **SECTION 25.** 71.47 (5e) of the statutes is repealed.

NOTE: This SECTION repeals an insurance company credit that does not apply for taxable years that begin after December 31, 2013. SECTIONS 24 and 26 repeal cross-references to this credit.

4 **SECTION 26.** 71.49 (1) (es) of the statutes is repealed.

5 **SECTION 27.** 77.51 (5m) of the statutes is repealed.

6 **SECTION 28.** 77.52 (13) of the statutes is amended to read:

7 77.52 (13) For the purpose of the proper administration of this section and to
8 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
9 the tax until the contrary is established. The burden of proving that a sale of tangible
10 personal property, or items, property, or goods under sub. (1) (b), (c), or (d), or services
11 is not a taxable sale at retail is upon the person who makes the sale unless that
12 person takes from the purchaser an electronic or a paper certificate, in a manner
13 prescribed by the department, to the effect that the property, item, good, or service
14 is purchased for resale or is otherwise exempt, except that no certificate is required
15 for the sale of tangible personal property, or items, property, or goods under sub. (1)
16 (b), (c), or (d), or services that are exempt under s. 77.54 (5) (a) 3., (7), (7m), (8), (10),
17 (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46),
18 (51), (52), (64), (66), and (67).

NOTE: The sale of patient health care records to the patient or to an authorized person is exempt from state sales tax. This SECTION eliminates the requirement that a purchaser of these products provide the seller with an exemption certificate when making an exempt purchase.

19 **SECTION 29.** 77.53 (10) of the statutes is amended to read:

20 77.53 (10) For the purpose of the proper administration of this section and to
21 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that

ASSEMBLY BILL 1033**SECTION 29**

1 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
2 (d), or taxable services sold by any person for delivery in this state is sold for storage,
3 use, or other consumption in this state until the contrary is established. The burden
4 of proving the contrary is upon the person who makes the sale unless that person
5 takes from the purchaser an electronic or paper certificate, in a manner prescribed
6 by the department, to the effect that the property, or items, property, or goods under
7 s. 77.52 (1) (b), (c), or (d), or taxable service is purchased for resale, or otherwise
8 exempt from the tax, except that no certificate is required for the sale of tangible
9 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
10 services that are exempt under s. 77.54 (7), (7m), (8), (10), (11), (14), (15), (17), (20n),
11 (21), (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46), (51), (52), (64), (66), and (67).

NOTE: The sale of patient health care records to the patient or to an authorized person, and the sale of farm-raised fish to a registered fish farm or to a person holding a permit for the stocking of fish, are each exempt from state use tax. This SECTION eliminates the requirement that a purchaser of either of these products provide the seller with an exemption certificate when making an exempt purchase.

12 **SECTION 30.** 77.54 (14m) of the statutes is renumbered 77.54 (14) (en) and
13 amended to read:

14 77.54 (14) (en) ~~For purposes of sub. (14), insulin~~ Insulin furnished by a
15 pharmacist to a person for treatment of diabetes ~~as directed by a physician shall be~~
16 ~~deemed dispensed on prescription of a human being.~~

NOTE: This SECTION modifies the current sales tax exemption for insulin furnished by a pharmacist to a person for the treatment of diabetes of a human being by removing the requirement that the purchaser present to the seller a sales tax exemption certificate issued by the Department of Revenue.

17 **SECTION 31.** 77.585 (9) of the statutes is repealed.

NOTE: This SECTION repeals a sales and use tax exemption for certain investments that had to be made within 24 months after July 1, 2007. SECTION 27 repeals a definition related to this exemption.

18 **SECTION 32.** 120.135 of the statutes is repealed.

