1999 SENATE BILL 40

February 16, 1999 – Introduced by Senators BRESKE, RUDE, DRZEWIECKI, WIRCH, A. LASEE, ROBSON, BAUMGART and MOEN, cosponsored by Representatives HAHN, F. LASEE, BRANDEMUEHL, GARD, SKINDRUD, SYKORA, POWERS, LEIBHAM, OTT, MEYER, GRONEMUS, HUTCHISON, MONTGOMERY, STEINBRINK, JOHNSRUD, SERATTI, PLOUFF, LASSA, OWENS and HUBER. Referred to Committee on Economic Development, Housing and Government Operations.

AN ACT ***to create*** 79.04 (1) (c) 4. and 79.04 (2) (c) of the statutes; **relating to:** shared revenue payments for former utility property.

Analysis by the Legislative Reference Bureau

Under current law, most of the property that light, heat or power companies own is subject to a state tax and exempt from the property tax. Municipalities and counties where that property is located receive shared revenue payments for it. When the property becomes taxable, the shared revenue payments stop. Under this bill, if the property is decommissioned, the payments are phased out over five years.

For further information see the ***state and local*** 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:

SECTION 1. 79.04 (1) (c) 4. of the statutes is created to read:

79.04 **(1)** (c) 4. If property that was exempt from the property tax under s. 70.112 (4) and that was used to generate power by a light, heat or power company, except property under s. 66.069 (2), is decommissioned, the municipality shall be paid an amount calculated by subtracting the property taxes paid for that property during the current year to the municipality for its general operations from the following percentages of the payment that the municipality received under this section during the last year that the property was exempt from the property tax:

a. In the first year that the property is taxable, 100%.

b. In the 2nd year that the property is taxable, 80%.

c. In the 3rd year that the property is taxable, 60%.

d. In the 4th year that the property is taxable, 40%.

e. In the 5th year that the property is taxable, 20%.

SECTION 2. 79.04 (2) (c) of the statutes is created to read:

79.04 **(2)** (c) If property that was exempt from the property tax under s. 70.112 (4) and that was used to generate power by a light, heat or power company, except property under s. 66.069 (2), is decommissioned, the county shall be paid an amount calculated by subtracting the property taxes paid for that property during the current year to the county for its general operations from the following percentages of the payment the county received under this section during the last year that the property was exempt from the property tax:

1. In the first year that the property is taxable, 100%.

2. In the 2nd year that the property is taxable, 80%.

3. In the 3rd year that the property is taxable, 60%.

4. In the 4th year that the property is taxable, 40%.

5. In the 5th year that the property is taxable, 20%.

SECTION 3. Initial applicability.

(1) This act first applies to shared revenue payments made in 2001.

(END)