

1999 DRAFTING REQUEST

Bill

Received: **01/8/99**

Received By: **jkreye**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Ziegler**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Alt. Drafters:

Subject: **Tax - sales**

Extra Copies:

Topic:

DOA:.....Ziegler - Increase portion of county sales tax collections retained by the state

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 01/11/99	wjackson 01/11/99	jfrantze 01/12/99	_____	lrb_docadmin 01/12/99		S&L
/1		jkreye 01/26/99 wjackson 01/26/99		_____			S&L
/2		ygeller 01/29/99	martykr 01/27/99	_____	lrb_docadmin 01/27/99		S&L
/3		jkreye 02/4/99 ygeller 02/4/99	hhagen 01/29/99 jfrantze 02/5/99	_____	gretskl 01/30/99 lrb_docadmin 02/5/99		

2/5/99 8:35:49 AM

Page 2

FE Sent For:

<END>

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2/2/5 *2/5*
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2/5

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FE Sent For: *12 WLj 1/26* *12 jlg 1/26* *km 1/26* *JA km 1/27*

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1/2	jkreye	1 1/11 WLS 1 1/11 JG	1/12	1/12			

FE Sent For:

<END>



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

Mailing Address:
Post Office Box 7864
Madison, WI 53707-7864



Date: January 7, 1999

To: Stephen Miller, Chief
Legislative Reference Bureau

From: Paul Ziegler, Policy and Budget Analyst
State Budget Office

Subject: Drafting Request for 99-01 Budget Bill

Please have the following item drafted for inclusion in the Governor's 1999-01 biennial budget bill:

County Sales Tax Administration Percentage. Increase from 1.5% to 1.75% the portion of county sales tax collections that are retained by the state and deposited to s.20.566(1)(g).

Please contact me at 266-5468 with any questions that arise.

Thank you.

LRB-1672

amend 77.76(3)

(to 98.25%)

amend 77.76 (3m) (to 98.25%) - special district

* amend 77.76(4) from 1.5 to 1.75

amend 20.835(4)(g)

20.835(4)(g) - special district

need D-N

77.76(4) refers to taxes collected under entire subchapter - includes both county & special district. Therefore made appropriate change to state involving special district. If not intent, I will amend only county & amend 77.76(4) to indicate different wording for county and SD



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-16727

JK:.....

WJ
+
JG

WFO - Fix
request sheet SOON

DOA:.....Ziegler - Increase portion of county sales tax collections retained by the state

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

D-N

1

Do NOT
GEN CAT

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Under current law, a county may adopt an ordinance to impose sales and use taxes upon county retailers. A special district may adopt a resolution to impose sales and use taxes upon retailers within the special district. The department of revenue (DOR) collects the sales and use taxes imposed by counties and special districts. The state retains 1.5% of the sales and use taxes collected to cover the costs incurred by the state to administer, enforce and collect the taxes. DOR distributes the remaining taxes collected to the respective counties and special districts.

This bill increases, from 1.5% to 1.75%, the amount of taxes collected that are retained by the state.

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:

1 **SECTION 1.** 20.835 (4) (g) of the statutes is amended to read:

2 20.835 (4) (g) *County taxes.* All moneys received from the taxes imposed under
3 s. 77.70 for distribution to the counties that enact an ordinance imposing taxes under
4 that section and for interest payments on refunds under s. 77.76 (3), except that ~~1.5%~~
5 1.75% of those tax revenues collected under that section shall be credited to the
6 appropriation account under s. 20.566 (1) (g).

7 **SECTION 2.** 20.835 (4) (gb) of the statutes is amended to read:

8 20.835 (4) (gb) *Special district taxes.* All moneys received from the taxes
9 imposed under s. 77.705, for the purpose of distribution to the special districts that
10 adopt a resolution imposing taxes under subch. V of ch. 77, and for the purpose of
11 financing a local professional baseball park district, except that of those tax revenues
12 collected under subch. V of ch. 77 ~~3%~~ 3% for the first 2 years of collection and ~~1.5%~~ 1.75%
13 thereafter shall be credited to the appropriation account under s. 20.566 (1) (gd).

14 **SECTION 3.** 77.76 (3) of the statutes is amended to read:

15 77.76 (3) From the appropriation under s. 20.835 (4) (g) the department shall
16 distribute ~~98.5%~~ 98.25% of the county taxes reported for each enacting county, minus
17 the county portion of the retailers' discounts, to the county and shall indicate the
18 taxes reported by each taxpayer, no later than the end of the 3rd month following the
19 end of the calendar quarter in which such amounts were reported. In this subsection,
20 the "county portion of the retailers' discount" is the amount determined by
21 multiplying the total retailers' discount by a fraction the numerator of which is the
22 gross county sales and use taxes payable and the denominator of which is the sum
23 of the gross state and county sales and use taxes payable. The county taxes
24 distributed shall be increased or decreased to reflect subsequent refunds, audit
25 adjustments and all other adjustments of the county taxes previously distributed.

1 Interest paid on refunds of county sales and use taxes shall be paid from the
2 appropriation under s. 20.835 (4) (g) at the rate paid by this state under s. 77.60 (1)
3 (a). The county may retain the amount it receives or it may distribute all or a portion
4 of the amount it receives to the towns, villages, cities and school districts in the
5 county. Any county receiving a report under this subsection is subject to the duties
6 of confidentiality to which the department of revenue is subject under s. 77.61 (5).

7 **SECTION 4.** 77.76 (3m)[✓] of the statutes is amended to read:

8 77.76 (3m) From the appropriation under s. 20.835 (4) (gb) the department, for
9 the first 2 years of collection, shall distribute 97% of the special district taxes
10 reported for each special district that has imposed taxes under this subchapter,
11 minus the special district portion of the retailers' discounts, to the special district no
12 later than the end of the 3rd month following the end of the calendar quarter in which
13 such amounts were reported. From the appropriation under s. 20.835 (4) (gb) the
14 department, after the first 2 years of collection, shall distribute 98.5% 98.25%[✓] of the
15 special district taxes reported for each special district that has imposed taxes under
16 this subchapter, minus the special district portion of the retailers' discount, to the
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21 determined by multiplying the total retailers' discount by a fraction the numerator
22 of which is the gross special district sales and use taxes payable and the denominator
23 of which is the sum of the gross state and special district sales and use taxes payable.
24 The special district taxes distributed shall be increased or decreased to reflect
25 subsequent refunds, audit adjustments and all other adjustments of the special

1 district taxes previously distributed. Interest paid on refunds of special district sales
 2 and use taxes shall be paid from the appropriation under s. 20.835 (4) (gb) at the rate
 3 paid by this state under s. 77.60 (1) (a). Any special district receiving a report under
 4 this subsection is subject to the duties of confidentiality to which the department of
 5 revenue is subject under s. 77.61 (5).

6 SECTION 5. 77.76 (4) of the statutes is amended to read:

7 77.76 (4) There shall be retained by the state ~~1.5%~~ 1.75% of the taxes collected
 8 under this subchapter to cover costs incurred by the state in administering, enforcing
 9 and collecting the tax. All interest and penalties collected shall be deposited and
 10 retained by this state in the general fund.

11 (END)

Section 9443. Effective date^s; revenue.
 # (1) COLLECTED TAXES RETAINED BY THE STATE ⁽³⁾ The treatment of
 sections 20,835(4)(g) ^{and} ~~20,835(4)(gb)~~ ^{and} 77.76(3), ~~77.76(3m)~~
 and ~~77.76(4)~~ of the statutes take^s effect on the
 first reporting period beginning after publication.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

1
LRB-1672/9dn

JK:f:...

WJ

JG

The portion of county sales tax collection retained by the state is the same as the portion of special district sales tax collection retained by the state. Section 77.76 (4) of the statutes requires that the state retain 1.5% of the taxes collected under Subchapter V of Chapter 77 of the statutes and does not make a distinction between taxes collected by counties and taxes collected by special districts. I have, therefore, amended the relevant statutes involving special districts, as well as the statutes involving ~~the~~ counties. If this is not what you intended, I will amend only the statutes involving the county sales tax collection, and amend s. 77.76 (4) of the statutes to indicate a 1.75% retention of county tax collections and a 1.5% retention of special district tax collections.

Joseph T. Kreye
Legislative Attorney
266-2263

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1672/1dn
JK.wlj&jlg:jf

January 12, 1999

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Joseph T. Kreye
Legislative Attorney
266-2263

LKB
Ziegler - 1672

- only the county sales tax

1.75%

leave approved district at 1.5



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1672/1
JK:wlj&jlg:jf

2

SOON

DOA:.....Ziegler – Increase portion of county sales tax collections retained by the state

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

don't get

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Under current law, a county may adopt an ordinance to impose sales and use taxes upon county retailers. ~~A special district may adopt a resolution to impose sales and use taxes upon retailers within the special district.~~ The department of revenue (DOR) collects the sales and use taxes imposed by counties ~~and special districts.~~ The state retains 1.5% of the sales and use taxes collected to cover the costs incurred by the state to administer, enforce and collect the taxes. DOR distributes the remaining taxes collected to the respective counties ~~and special districts.~~

This bill increases, from 1.5% to 1.75%, the amount of taxes collected that are retained by the state.

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:

1 **SECTION 1.** 20.835 (4) (g) of the statutes is amended to read:

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3 s. 77.70 for distribution to the counties that enact an ordinance imposing taxes under
4 that section and for interest payments on refunds under s. 77.76 (3), except that ~~1.5%~~
5 1.75% of those tax revenues collected under that section shall be credited to the
6 appropriation account under s. 20.566 (1) (g).

7 ~~**SECTION 2.** 20.835 (4) (gb) of the statutes is amended to read:~~ ✓

8 ~~20.835 (4) (gb) *Special district taxes.* All moneys received from the taxes~~
9 ~~imposed under s. 77.705, for the purpose of distribution to the special districts that~~
10 ~~adopt a resolution imposing taxes under subch. V of ch. 77, and for the purpose of~~
11 ~~financing a local professional baseball park district, except that of those tax revenues~~
12 ~~collected under subch. V of ch. 77 ~~3%~~ for the first 2 years of collection and ~~1.5%~~ 1.75%~~
13 ~~thereafter shall be credited to the appropriation account under s. 20.566 (1) (gd).~~

14 **SECTION 3.** 77.76 (3) of the statutes is amended to read:

15 77.76 (3) From the appropriation under s. 20.835 (4) (g) the department shall
16 distribute ~~98.5%~~ 98.25% of the county taxes reported for each enacting county, minus
17 the county portion of the retailers' discounts, to the county and shall indicate the
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19 end of the calendar quarter in which such amounts were reported. In this subsection,
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7 77.76 (4) There shall be retained by the state ^{1.5% ~~1.75%~~} of the taxes collected
8 ~~under this subchapter~~ to cover costs incurred by the state in administering, enforcing
9 and collecting the tax. All interest and penalties collected shall be deposited and
10 retained by this state in the general fund.

11 **SECTION 9443. Effective dates; revenue.**

12 (1) COLLECTED TAXES RETAINED BY THE STATE. The treatment of sections 20.835
13 (4) (g) ~~and~~ and 77.76 (3) ~~and~~ and (4) of the statutes takes effect on the first
14 reporting period beginning after publication.

15 (END)

for taxes imposed by special districts and 1.75%⁹⁰
of the taxes collected
for taxes imposed by counties under s. 77.20[✓]
under s. 77.705[✓]

1672/2

change effective date

L.A.

distribution of county sales tax
revenue to counties on

July 1, 1999

first day of first month
beginning
after
publication



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1672/2
JK:wlj&jlg:km

3

DOA:.....Ziegler – Increase portion of county sales tax collections retained by the state

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

SOON

do not generate

1 AN ACT /; relating to: the budget.

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2 and penalties collected shall be deposited and retained by this state in the general
3 fund.

93 ~~initial applicability~~ *MAND*

*Fix
Components*

4

SECTION 9443. ~~Effective dates; revenue.~~

5

(1) COLLECTED TAXES RETAINED BY THE STATE. The treatment of sections 20.835

6

(4) (g) and 77.76 (3) and (4) of the statutes takes effect on the first reporting period
beginning after publication.

7

8

(END) ✓

*first applies to the distribution of county
sales tax revenues to counties on the
first day of the first month beginning
after publication*

Kreye, Joseph

From: Ziegler, Paul
Sent: Thursday, February 04, 1999 3:52 PM
To: Kreye, Joseph
Subject: More Drama and Adventure

Joe -- I found another minor change to make:

Draft 1672/3 -- changing the portion of county sales tax collections retained by the state:
Page 2, line 24 -- change "1,75%" to "1.75%" -- i.e. change the comma to a period.
This is also on page 638 line 16 of the sprint (2079/p2).

Thank you.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1672/3
JK:wlj&jlg:hmh

SOON

JK

DOA:.....Ziegler - Increase portion of county sales tax collections retained by the state

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

do not gen

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15 adjustments and all other adjustments of the county taxes previously distributed.
16 Interest paid on refunds of county sales and use taxes shall be paid from the
17 appropriation under s. 20.835 (4) (g) at the rate paid by this state under s. 77.60 (1)
18 (a). The county may retain the amount it receives or it may distribute all or a portion
19 of the amount it receives to the towns, villages, cities and school districts in the
20 county. Any county receiving a report under this subsection is subject to the duties
21 of confidentiality to which the department of revenue is subject under s. 77.61 (5).

22 **SECTION 3.** 77.76 (4) of the statutes is amended to read:

23 77.76 (4) There shall be retained by the state 1.5% of the taxes collected under
24 this subchapter for taxes imposed by special districts under s. 77.705 and 1.75% of
25 the taxes collected for taxes imposed by counties under s. 77.70 to cover costs



1 incurred by the state in administering, enforcing and collecting the tax. All interest
2 and penalties collected shall be deposited and retained by this state in the general
3 fund.

4 **SECTION 9343. Initial applicability; revenue.**

5 (1) COLLECTED TAXES RETAINED BY THE STATE. The treatment sections 20.835 (4)
6 (g) and 77.76 (3) and (4) of the statutes first applies to the distribution of county sales
7 tax revenues to counties on the first day of the first month beginning after
8 publication.

9 (END) ✓



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1672/3
JK:wlj&jlg:jf

DOA:.....Ziegler – Increase portion of county sales tax collections retained by
the state

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Under current law, a county may adopt an ordinance to impose sales and use taxes upon county retailers. The department of revenue (DOR) collects the sales and use taxes imposed by counties. The state retains 1.5% of the sales and use taxes collected to cover the costs incurred by the state to administer, enforce and collect the taxes. DOR distributes the remaining taxes collected to the respective counties.

This bill increases, from 1.5% to 1.75%, the amount of taxes collected that are retained by the state.

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:

2 SECTION 1. 20.835 (4) (g) of the statutes is amended to read:

3 20.835 (4) (g) *County taxes.* All moneys received from the taxes imposed under

4 s. 77.70 for distribution to the counties that enact an ordinance imposing taxes under

1 that section and for interest payments on refunds under s. 77.76 (3), except that ~~1.5%~~
2 1.75% of those tax revenues collected under that section shall be credited to the
3 appropriation account under s. 20.566 (1) (g).

4 **SECTION 2.** 77.76 (3) of the statutes is amended to read:

5 77.76 (3) From the appropriation under s. 20.835 (4) (g) the department shall
6 distribute ~~98.5%~~ 98.25% of the county taxes reported for each enacting county, minus
7 the county portion of the retailers' discounts, to the county and shall indicate the
8 taxes reported by each taxpayer, no later than the end of the 3rd month following the
9 end of the calendar quarter in which such amounts were reported. In this subsection,
10 the "county portion of the retailers' discount" is the amount determined by
11 multiplying the total retailers' discount by a fraction the numerator of which is the
12 gross county sales and use taxes payable and the denominator of which is the sum
13 of the gross state and county sales and use taxes payable. The county taxes
14 distributed shall be increased or decreased to reflect subsequent refunds, audit
15 adjustments and all other adjustments of the county taxes previously distributed.
16 Interest paid on refunds of county sales and use taxes shall be paid from the
17 appropriation under s. 20.835 (4) (g) at the rate paid by this state under s. 77.60 (1)
18 (a). The county may retain the amount it receives or it may distribute all or a portion
19 of the amount it receives to the towns, villages, cities and school districts in the
20 county. Any county receiving a report under this subsection is subject to the duties
21 of confidentiality to which the department of revenue is subject under s. 77.61 (5).

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7 tax revenues to counties on the first day of the first month beginning after
8 publication.

9 (END)