

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB133)

Received: 05/17/99

Received By: jkreye

Wanted: Soon

Identical to LRB:

For: Legislative Fiscal Bureau 6-9916

By/Representing: Olin

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Alt. Drafters:

Subject: Tax - property

Extra Copies:

Pre Topic:

LFB:.....Olin -

Topic:

Prohibit DOR from publishing per acre value guidelines in assessment manual unless guidelines are based on procedures established by rule

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>
/1	jkreye 05/17/99	gilfokm 05/17/99	martykr 05/18/99	_____	lrb_docadmin 05/18/99		

FE Sent For:

<END>

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/1	jkreyc	1-5-17-99 <i>kmf</i>	<i>kmf</i> 5/17	<i>jkreyc</i> 5/18			

FE Sent For:

<END>

16-0

Senator Decker

SHARED REVENUE AND TAX RELIEF -- PROPERTY TAXATION

Administrative Rules for Use Value

Motion:

Move to modify current law provisions related to the Wisconsin Property Assessment Manual, which is published by DOR, to prohibit DOR from specifying per acre value guidelines for agricultural land in any municipality, if those guidelines are based in whole, or in part, on procedures that have not been included in the administrative rules adopted by DOR pertaining to the assessment of agricultural property, effective with guidelines specified for assessments as of January 1, 2000.

Note:

Under provisions included in 1995 Act 27, use value assessment of agricultural land is being phased-in over a period through 2007. Also, Act 27 created the Farmland Advisory Council to assist DOR during this period. State law provides that use value assessments be based on the income that could be generated from the rental of land for agricultural use and requires DOR to adopt administrative rules related to use value assessment. In 1997, DOR adopted administrative rules that reflected the valuation procedures approved by the Farmland Advisory Council. The 1998 per acre value guidelines that were published as a supplement to the Wisconsin Property Assessment Manual in 1997 were based on these rules and procedures. In 1998, the Farmland Advisory Council adopted changes to those procedures and those changes are reflected in the guidelines for valuing agricultural land in 1999, which were published in 1998 as a supplement to the Manual. However, DOR has not proposed to amend its administrative rules to reflect the valuation procedures now being used. This motion would prohibit DOR from publishing per acre value guidelines that reflect the 1998 modification unless DOR amends its administrative rule to reflect the change. The provision would first affect guidelines related to assessments for 2000.

Motion #720

73.03(2a)

(2a) To prepare, have published and distribute to each property tax assessor and to others who so request assessment manuals. The manual shall discuss and illustrate accepted assessment methods, techniques and practices with a view to more nearly uniform and more consistent assessments of property at the local level. The manual shall be amended by the department from time to time to reflect advances in the science of assessment, court decisions concerning assessment practices, costs, and statistical and other information considered valuable to local assessors by the department. The manual shall incorporate standards for the assessment of all types of renewable energy resource systems used in this state as soon as such systems are used in sufficient numbers and sufficient data exists to allow the formulation of valid guidelines. The manual shall incorporate standards, which the department of revenue and the state historical society of Wisconsin shall develop, for the assessment of nonhistoric property in historic districts and for the assessment of historic property, including but not limited to property that is being preserved or restored; property that is subject to a protective easement, covenant or other restriction for historic preservation purposes; property that is listed in the national register of historic places in Wisconsin or in this state's register of historic places and property that is designated as a historic landmark and is subject to restrictions imposed by a municipality or by a landmarks commission. The manual shall incorporate general guidelines about ways to determine whether property is taxable in part under s. 70.1105 and examples of the ways that s. 70.1105 applies in specific situations. The manual shall state that assessors are required to comply with s. 70.32 (1g) and shall suggest procedures for doing so. The manual or a supplement to it shall specify per acre value guidelines for each municipality for various categories of agricultural land based on the income that could be generated from its estimated rental for agricultural use, as defined by rule, and capitalization rates established by rule. The manual shall include guidelines for classifying land as agricultural land, as defined in s. 70.32 (2)(c) 1. and guidelines for distinguishing between land and improvements to land. The cost of the development, preparation, publication and distribution of the manual and of revisions and amendments to it shall be borne by the assessors and requesters at an individual volume cost or a subscription cost as determined by the department. All receipts shall be credited to the appropriation under s. 20.566 (2) (hi). The department may provide free assessment manuals to other state agencies or exchange them at no cost with agencies of other states or of the federal government for similar information or publications.

The manual or a supplement to it shall not specify per acre value guidelines for each municipality, unless such guidelines are based on procedures that have been established by rule.

BILL

1 parties to select a settlement alternative as provided in s. 802.12 (1). Summary
2 proceedings shall be decided by one commissioner assigned by the chairperson prior
3 to the hearing.

4 **SECTION 1796.** 73.01 (4) (dn) of the statutes is amended to read:

5 73.01 (4) (dn) In connection with the hearing of any matter required to be heard
6 and decided by the commission, except appeals arising under s. 70.64 or ch. 76, the
7 chairperson or any member of the commission assigned to hear the matter may, with
8 ~~the consent of the parties~~, render an oral decision. In ~~small claims cases~~ summary
9 proceedings, the presiding commissioner, ~~without consent of the parties~~, either
10 render an oral decision at the close of the hearing or provide a written decision to all
11 parties within 2 weeks after the hearing. Decisions in ~~small claims cases~~ summary
12 proceedings are not precedents. Any party may appeal such oral decision as provided
13 in s. 73.015. Oral decisions constitute notice for purposes of determining the time
14 in which appeals may be taken. Provisions of this section or ch. 227 in conflict with
15 this paragraph do not apply to decisions rendered under this paragraph.

16 **SECTION 1797.** 73.01 (4) (e) (intro.) of the statutes is amended to read:

17 73.01 (4) (e) (intro.) Except as provided in par. (dn), the commission in each case
18 heard by it shall, irrespective of ch. 227, make a decision in writing accompanied by
19 findings of fact and conclusions of law. The commission may issue an opinion in
20 writing in addition to its findings of fact and decision. The decision or order of the
21 commission shall become final and shall be binding upon the petitioner and upon the
22 department of revenue for that case unless an appeal is taken from the decision or
23 order of the commission under s. 73.015. Except in respect to ~~small claims~~ summary
24 proceedings decisions, if the commission construes a statute adversely to the
25 contention of the department of revenue:

25

create section 1797M. amend 73.03(2a)

BILL**SECTION 1798**

1 **SECTION 1798.** 73.03 (35) of the statutes is amended to read:

2 73.03 (35) To deny a portion of a credit claimed under s. 71.07 (2dd), (2de), (2di),
3 (2dj), (2dL), (2dr), (2ds) or (2dx), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx) or
4 (4) (am) or 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx) or (4) (am) if granting the
5 full amount claimed would violate the a requirement under s. ~~560.797 (4) (e)~~ 560.785
6 or would bring the total of the credits granted to that claimant under s. ~~560.797 (4)~~
7 ~~(e), or the total of the credits granted to that claimant under all of those subsections,~~
8 over the limit for that claimant under s. 560.768, 560.795 (2) (b) or 560.797 (5) (b).

9 **SECTION 1799.** 73.03 (56) of the statutes is created to read:

10 73.03 (56) To prepare and submit the report required under s. 66.46 (13).

11 **SECTION 1800.** 73.0301 (1) (d) 2. of the statutes is amended to read:

12 73.0301 (1) (d) 2. A license issued by the department of health and family
13 services under s. 48.66 (1) (a) to a child welfare agency, group home, shelter care
14 facility or day care center, as required by s. 48.60, 48.625, 48.65 or 938.22 (7).

15 **SECTION 1801.** 73.0305 of the statutes is amended to read:

16 **73.0305 Revenue limits calculations.** The department of revenue shall
17 annually determine and certify to the state superintendent of public instruction, no
18 later than the 4th Monday in June, the allowable rate of increase for the limit
19 imposed under ~~subch. VII of ch. 121 s. 121.91 (2m) (d).~~ For that limit, the allowable
20 rate of increase is the percentage change in the consumer price index for all urban
21 consumers, U.S. city average, between the preceding March 31 and the 2nd
22 preceding March 31, as computed by the federal department of labor.

23 **SECTION 1802.** 73.09 (4) (c) of the statutes is amended to read:

24 73.09 (4) (c) Recertification is contingent upon submission of a ~~notarized~~ an
25 application for renewal, ~~at least 60 days before the expiration date of the current~~



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0320/1

JK: *King*

m 5-17-99

LFB:.....Olin - Prohibit DOR from publishing per acre value guidelines in assessment manual unless guidelines based on procedures established by rule *are*

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

SOON
WPO: Fix Request sheet

1 At the locations indicated, amend the bill as follows:

✓ 2 1. Page 901, line 25: after that line insert:

3 "SECTION 1797. ^p 73.03 (2a) of the statutes is amended to read:

4 73.03 (2a) To prepare, have published and distribute to each property tax
5 assessor and to others who so request assessment manuals. The manual shall
6 discuss and illustrate accepted assessment methods, techniques and practices with
7 a view to more nearly uniform and more consistent assessments of property at the
8 local level. The manual shall be amended by the department from time to time to
9 reflect advances in the science of assessment, court decisions concerning assessment
10 practices, costs, and statistical and other information considered valuable to local

1 assessors by the department. The manual shall incorporate standards for the
2 assessment of all types of renewable energy resource systems used in this state as
3 soon as such systems are used in sufficient numbers and sufficient data exists to
4 allow the formulation of valid guidelines. The manual shall incorporate standards,
5 which the department of revenue and the state historical society of Wisconsin shall
6 develop, for the assessment of nonhistoric property in historic districts and for the
7 assessment of historic property, including but not limited to property that is being
8 preserved or restored; property that is subject to a protective easement, covenant or
9 other restriction for historic preservation purposes; property that is listed in the
10 national register of historic places in Wisconsin or in this state's register of historic
11 places and property that is designated as a historic landmark and is subject to
12 restrictions imposed by a municipality or by a landmarks commission. The manual
13 shall incorporate general guidelines about ways to determine whether property is
14 taxable in part under s. 70.1105 and examples of the ways that s. 70.1105 applies in
15 specific situations. The manual shall state that assessors are required to comply
16 with s. 70.32 (1g) and shall suggest procedures for doing so. The manual or a
17 supplement to it shall specify per acre value guidelines for each municipality for
18 various categories of agricultural land based on the income that could be generated
19 from its estimated rental for agricultural use, as defined by rule, and capitalization
20 rates established by rule. The manual or a supplement to it shall not specify per acre
21 value guidelines for each municipality unless such guidelines are based on
22 procedures that are established by rule. The manual shall include guidelines for
23 classifying land as agricultural land, as defined in s. 70.32 (2) (c) 1. and guidelines
24 for distinguishing between land and improvements to land. The cost of the
25 development, preparation, publication and distribution of the manual and of

1 revisions and amendments to it shall be borne by the assessors and requesters at an
2 individual volume cost or a subscription cost as determined by the department. All
3 receipts shall be credited to the appropriation under s. 20.566 (2) (hi). The
4 department may provide free assessment manuals to other state agencies or
5 exchange them at no cost with agencies of other states or of the federal government
6 for similar information or publications.”.

7 ✓ 2. Page 1462, line 3: after that line insert:

init. app.

8 “^{22t}~~(2)~~ PER ACRE VALUE GUIDELINES. The treatment of section 73.03 (2^a) of the
9 statutes first applies to per acre value guidelines related to the property tax
10 assessments as of January 1, 2000.”.

11

(END)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0320/1
JK:kmg:km

LFB:.....Olin - Prohibit DOR from publishing per acre value guidelines in assessment manual unless guidelines are based on procedures established by rule

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(END)