

Assembly Committee on Ways and Means

DATE _____
 Moved by Wood Seconded by Zieg
 AB 41 SB _____ Clearinghouse Rule _____
 AJR _____ SJR _____
 A _____ SR _____ Other _____
 A/S Amdt _____
 A/S Amdt _____ to A/S Amdt _____
 A/S Sub Amdt _____
 A/S Amdt _____ to A/S Sub Amdt _____
 A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

- Be recommended for:
- Passage
 - Introduction
 - Adoption
 - Rejection
 - Indefinite Postponement
 - Tabling
 - Concurrence
 - Nonconcurrence

	Committee Member	Aye	No	Absent	Not voting
1.	Rep. Mickey Lehman, chair	1			
2.	Rep. Tom Sykora, vice-chair	2			
3.	Rep. Bob Goetsch	10			
4.	Rep. Mike Huebsch	3			
5.	Rep. Frank Lasee	✓			
6.	Rep. John Ainsworth	4			
7.	Rep. Suzanne Jeskewitz				
8.	Rep. Carol Owens	5			
9.	Rep. Joan Spillner	6			
10.	Rep. Wayne Wood	7			
11.	Rep. John La Fave	8			
12.	Rep. Lee Meyerhofer				
13.	Rep. Johnie Morris-Tatum		1		
14.	Rep. Jeffrey Plale	✓			
15.	Rep. Bob Turner		2		
16.	Rep. Bob Ziegelbauer	9			
Totals					

MOTION CARRIED

MOTION FAILED

DUE DATE
MARCH 1, 1999

STATEMENT OF PERSONAL PROPERTY
Subject to Assessment January 1, 1999

1999 **AS 41**

Belonging To:
(or in his/her charge as agent, consignee, or other representative capacity)

TOWN }
VILLAGE of } MANITOWOC
CITY }
COUNTY of } MANITOWOC
SCHOOL DISTRICT } 3290

ASSESSOR STEVEN F SCHWOERER
DEPUTY CITY ASSESSOR
PO BOX 1597
MANITOWOC WI 54221-1597
PHONE 920-683-4425

PROPERTY ADDRESS _____
ENGAGED IN BUSINESS OF _____

- SOLE PROPRIETORSHIP
 PARTNERSHIP LLC
 CORPORATION

NEW OWNER - NEW ADDRESS
If you no longer own this personal property or have changed your address, please write the new owner's name and address or your new address and the date the change was effective in the space below and return it to the Assessor immediately.

NAME P.O. ADDRESS CITY STATE ZIP DATE EFFECTIVE

GENERAL INSTRUCTIONS

Failure to file this return will subject you to a doomsday assessment. This return is a confidential record and is not available for public inspection. The Wisconsin Laws Provide: Section 70.35(1), "the assessor may require any person, firm or corporation to submit a return of such personal property and taxable value thereof. . . . (3) Each return shall be filed with the assessor on or before March 1, 1999.

section shall be denied any right of abatement by the board of review . . . unless such person, . . . shall make such return. . . ."
See also Section 70.36-False statements; duty of district attorney.

(4) Any person, firm or corporation who fails, neglects or refuses to make and file the return of personal property required by this

(5) 70.36 (1M) Any person, firm or corporation that fails to include information on property that is exempt under s. 70.11(3) on the report under s. 70.35 shall forfeit \$10 for every \$100 or major fraction thereof that is not reported.

SCHEDULE A

SUMMARY OF PERSONAL PROPERTY AS OF JANUARY 1, 1999

Schedule A is the summary of all personal property subject to taxation from Schedules B through H. The total of column 3 is your declaration of personal property subject to tax within this municipality. **Do not write "SALY" for Same As Last Year; forms must be filled out completely. Schedule D-1 is excluded from TOTAL ASSESSABLE.**

PROPERTY DESCRIPTION (Col. 1)	Values		LEAVE BLANK (Col. 4)
	Subtotals (Col. 2)	Totals (Col. 3)	
1 Boats & Other WaterCraft (from Schedule B)		\$	
2 Machinery, Tools & Patterns (from Schedule C)		\$	
3 • Furniture, Fixtures & Office Equipment (from Schedule D)	\$		
5 • Faxes, Copiers, and Phone Systems (from Schedule D-2)	\$		
6 Total Furniture, Fixtures, & Office - (TOTAL OF LINES 3 AND 5)		\$	
7 • Leased Equip (Property in charge of but not owned)(from Schedule F)	\$		
8 • Supplies (from Schedule G)	\$		
9 • All Other Personal Property (from Schedule H)	\$		
10 Total Other Personal Property - (TOTAL OF LINES 7, 8, AND 9)		\$	
11 Buildings on Leased Land (from Schedule E)		\$	
TOTAL ASSESSABLE - TOTAL OF LINES 1, 2, 6, 10, & 11		\$	
4 • EXEMPT Computer Equipment & Software (from Schedule D-1)	\$		
Please report the total from Schedule D-1 from the 1998 PA-003		\$	

I hereby declare all information given is true and correct for all the personal property for which I am subject to assessment and which was owned by me or held in my possession on January 1, 1999.

OWNER'S NAME (Please Print) SIGNATURE & DATE

PREPARER'S NAME (Please Print) SIGNATURE & DATE

OWNER'S FULL ADDRESS

PREPARER'S FULL ADDRESS

OWNER'S PHONE NUMBER FAX NUMBER

PREPARER'S PHONE NUMBER FAX NUMBER

SCHEDULE B

BOATS AND WATERCRAFT

Schedule B is for reporting boats and watercraft not exempt. Use additional sheets if necessary.

Property Description	Year Acquired	Cost When Acquired	Declared Value January 1	Leave Blank
		\$	\$	
		\$	\$	
Transfer this Total Value to Line 1, Column 3 of Schedule A on page 1 →			\$	

SCHEDULE C

MACHINERY, TOOLS AND PATTERNS

Schedule C provides for the reporting of all machinery and shop equipment. Take the costs shown from your accounting records. Any variation from information contained in your income tax return must be explained by letter or schedule. Summarize the original asset costs by acquisition year as of January 1 of last year. Enter these costs in column 2. Enter any additions or deletions by acquisition year in column 3.

1. Year of Acquisition	2. Original Installed Cost 1-1-98	3. Additions, Disposals, & Transfers At Cost Since Last Jan. 1	4. Original Installed Cost 1-1-99 Col.2 - Col.3	5. Conversion Factor 10 yr.	6. Indexed Net Value (Full Value) Col.4 x Col.5	7. Leave Blank
1998				.925		
1997				.786		
1996				.675		
1995				.579		
1994				.497		
1993				.431		
1992				.370		
1991				.318		
1990				.277		
1989				.242		
Prior to '89				.166		
TOTALS						
Transfer this Total Value to Line 2, Column 3 of Schedule A on page 1 →					\$	

SCHEDULE D

FURNITURE, FIXTURES AND OFFICE EQUIPMENT

This schedule is for reporting such assets as office, store and professional furniture, fixtures and equipment, business and professional libraries, and other assets related to the sales and administration of your business. Original Cost per column 4, Schedule D should contain all costs of installation and freight, add-ons, and sales tax.

1. Year of Acquisition	2. Original Installed Cost 1-1-98	3. Additions, Disposals, & Transfers At Cost Since Last Jan. 1	4. Original Installed Cost 1-1-99 Col.2 - Col.3	5. Conversion Factor 10 yr.	6. Indexed Net Value (Full Value) Col.4 x Col.5	7. Leave Blank
1998				.925		
1997				.786		
1996				.675		
1995				.579		
1994				.497		
1993				.431		
1992				.370		
1991				.318		
1990				.277		
1989				.242		
Prior to '89				.166		
TOTALS						
Transfer this Total Value to Line 3, Column 2 of Schedule A on page 1 →					\$	

SCHEDULE D-1

EXEMPT COMPUTER EQUIPMENT & SOFTWARE (OWNED AND LEASED)

Under Section 70.11 (39) if the owner of the property fulfills the requirements under s. 70.35, mainframe computers, minicomputers, personal computers, networked personal computers, servers, terminals, monitors, disk drives, electronic peripheral equipment, tape drives, printers, basic operational programs, systems software, prewritten software and custom software are exempt.

1. Year of Acquisition	2. Original Installed Cost 1-1-98	3. Additions, Disposals, & Transfers At Cost Since Last Jan.1	4. Original Installed Cost 1-1-99 Col.2 - Col.3	5. Conversion Factor 4 yr.	6. Indexed Net Value (Full Value) Col.4 x Col.5	7. Leave Blank
1998				.813		
1997				.588		
1996				.517		
1995				.498		
1994				.424		
1993				.078		
1992				.049		
Prior to '92				.030		
TOTALS						
Transfer this Total Value to Line 4, Column 2 of Schedule A on page 1 →						\$

SCHEDULE D-2

FAXES, COPIERS AND TELEPHONE SYSTEMS, AND COMPUTERIZED EQUIPMENT

Report all faxes, copiers, telephone systems (PBX's), and equipment with embedded computerized components such as medical equipment, and ATMs on Schedule D-2.

1. Year of Acquisition	2. Original Installed Cost 1-1-98	3. Additions, Disposals, & Transfers At Cost Since Last Jan.1	4. Original Installed Cost 1-1-99 Col.2 - Col.3	5. Conversion Factor 6 yr.	6. Indexed Net Value (Full Value) Col.4 x Col.5	7. Leave Blank
1998				.875		
1997				.656		
1996				.497		
1995				.376		
1994				.285		
1993				.218		
Prior to '93				.124		
TOTALS						
Transfer this Total Value to Line 5, Column 2 of Schedule A on page 1 →						\$

SCHEDULE E

BUILDINGS ON LEASED LAND

1. Property Description	2. Year Acquired	3. Cost When Acquired	4. Declared Value January 1	Leave Blank
Transfer this Total Value to Line 11, Column 3 of Schedule A on page 1 →				\$

SCHEDULE F

LEASED EQUIPMENT (PROPERTY IN CHARGE OF BUT NOT OWNED)

NOTE: COMPUTER EQUIPMENT SHOULD BE INCLUDED IN SCHEDULE D-1.

Report any business furniture, fixtures, equipment, machines, postage meters, tools, automatic bowling pinsetting machines, or advertising devices and similar items loaned, leased, stored or otherwise held and not owned by you. These items may or may not be assessed to you, but they must be indicated. Use the factor from the appropriate schedule.

1. Name & Address of Owner	2. Type of Equipment (Lease No.)	3. Gross Annual Rent	3a. Year Installed	3b. Original Cost	4. Indexed Value Assessable to Lessee Assessable to Lessor		Leave Blank
Transfer this Total Value to Line 7, Column 2 of Schedule A on page 1 ⇒					\$		

SCHEDULE G

SUPPLIES

This schedule includes your supplies inventory. Supplies include items which are not subject to resale, but are necessary in the conduct of business, are consumed in the operations or in providing customer services. They may include professional, selling and advertising, office, shipping, janitorial and cleaning, and any other supplies in your possession on January 1.

January 1, 1999 Supplies Inventory •	Transfer this Total Value to Line 8, Column 2 of Schedule A on page 1 ⇒	\$
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SCHEDULE H

ALL OTHER PERSONAL PROPERTY, LEASEHOLD IMPROVEMENTS, SIGNS, BILLBOARDS, VIDEO TAPES, LOGS & FOREST PRODUCTS, OTHER IMPROVEMENTS ON LEASED LAND (EXEMPT), FOREST CROP LAND, OR MANAGED FOREST LAND

All leasehold improvements and other personal property not reported on a separate schedule should be reported in Schedule H. Leasehold improvements are any alterations, additions or improvements, adding value, made by a tenant to leased or rented premises. Enter the total improvement cost in column 3. Also include other items of taxable personal property having a market value and not included in any of the other schedules. This schedule also includes logs and other forest products belonging to persons whose principal activity is not related to the buying, selling or manufacturing use of such property. Merchant's or manufacturing stock are exempt. Use additional sheets for specific categories of products, if necessary. Report improvements on leased land (exempt) and privately owned structures, billboards, or special taxed land.

1. Year of Acquisition	2. Description of Property	3. Original Installed Cost	4. Declared Value January 1	Leave Blank
Transfer this Total Value to Line 9, Column 2 of Schedule A on page 1 ⇒			\$	

PLEASE PROVIDE THE FOLLOWING LEASE PROVISIONS FOR THE ABOVE LEASEHOLD IMPROVEMENTS:

- 1) Term: From _____ To _____
- 2) Square foot of leased area _____
- 3) Annual Rental _____ Percentage Rental _____
- 4) Rent Includes (check any that apply):

Electric Heat Real Estate Taxes Parking Other (describe) _____

IN WHICH ACCOUNT ARE THE FOLLOWING ITEMS CARRIED ON YOUR BOOKS? (Real Estate [RE] or Personal Property [PP])

Above Ground Tanks	Car Wash Equipment	Greenhouses	Theater Seating
Air Conditioning	Conveyors	Machine Foundations	Vaults, Safety Deposit Boxes
Alleys & Pinsetters	Cranes	Moveable Office partitions	
Bar, Backbar, Coolers	Craneways	Specialized Plumbing	
Below Ground Tanks	Fuel Pumps	Restaurant Booths & Counters	

Ways & Means Committee
Preliminary Report on Referred Legislation
February 24, 1999

Bill: **AB41**
Author: **Ziegelbauer**
Date Referred: **1-19-1999**

Relating Clause: *the filing of personal property reports.*

Comments from Department of Revenue-

This proposal is "out of the clear blue sky" to DOR. As such, they are not quite sure of their position. The proposal does not seem bad - it would standardize things with the IRS: everyone would have the same extension.

Comments from the Author-

Author's reasoning for introducing legislation:

On behalf of a constituent.

Author's intent:

To allow more time to file the reports.

Does the Author want the legislation moved forward?

Yes No

If no, do we have this in writing?

Yes No

Is the legislation in its final form?

? Yes No (they *think* so)

If major changes are required, the author shall prepare and introduce the necessary amendments.

Comments from potentially affected parties-

John Meyer, WI Association of Assessing Officers- This bill restricts time spans. The law is fine as is. The law currently allows an extension for a good cause, while also allows for the request for such an extension to be denied.

Wayne Wood- Perhaps just a further clarification of "cause" in current law would be better than passing this bill.



Lakeshore Oil & Tire Company, Inc.

WHOLESALE OF PETROLEUM PRODUCTS

AB41

Phone: (920) 686-0976

Fax: (920) 686-0876

P.O. Box 876

Manitowoc, WI 54221-0876

March 20, 1998

State Assemblyman Robert F. Ziegelbauer
P. O. Box 8952
Madison, WI 53702

Dear Bob:

RE: WI Statute 70.53(3) statutory filing deadline of Personal Property Tax

While the best alternative is the one I wrote you about a few days ago, specifically the ELIMINATION of the Personal Property Tax, I have a request.

If the personal property tax is to continue, the least that could be done is to give taxpayers more time to gather the needed information to complete the form. Currently, the law requires, at least according to the local assessors, a March 1 filing date. Since the basis for all of the information is some type of a listing of fixed asset equipment placed into service at a specific location during the prior year, the assessors' form can't be completed until that list is obtained by the taxpayer.

In the case of very small business taxpayers, the needed information is most likely kept in one's head or in a shoe-box or file and can be accessed quickly. In the case of the very large manufacturer, the listing is probably compiled by an internal accountant within the firm. In the case of a company like ours, which is not big enough to have a staff accounting function, we use an outside accounting firm to compile this information. Not only is this information compiled for personal property tax purposes, but it is indeed the basis for a function much larger and more information - depreciation schedules required by the IRS and WI Department of Revenue on Corporate returns.

Our accounting firm does work for 1380 business clients. As such we are lucky to have our Corporate tax return done by the first week of March in preparation for the required March 15th mandated mailing of both. Once that task is done, our accountant advises me that he can begin to get the fixed asset information out to his clients. Meanwhile the form was due to the local assessors March 1.

While most assessors are understanding and usually let us alone until April 1 or so when we can get the forms done for all fourteen of our sites, some local assessors are now playing "hard-ball." We are in a catch-22 situation as you can see.

Is there some way the law can be amended to allow business until, say April 15? Even April 1 would be a big help, but March 1 is next to impossible for a business in our situation. Please check and advise.

Sincerely,

LAKESHORE OIL & TIRE CO., INC.

W. P. Springer
President

AB41

affect the validity of the assessments, the resulting tax on real or personal property, the procedures of the tax appeals commission or of the state board of assessors or the enforcement of delinquent taxes by statutory means.

(c) All objections to the amount, valuation, taxability or change from assessment under this section to assessment under s. 70.32 (1) of property shall be first made in writing on a form prescribed by the department of revenue and shall be filed with the state board of assessors within the time prescribed in par. (b). A \$45 fee shall be paid when the objection is filed unless a fee has been paid in respect to the same piece of property and that appeal has not been finally adjudicated. The objection is not filed until the fee is paid. Neither the state board of assessors nor the tax appeals commission may waive the requirement that objections be in writing. Persons who own land and improvements to that land may object to the aggregate value of that land and improvements to that land, but no person who owns land and improvements to that land may object only to the valuation of that land or only to the valuation of improvements to that land.

(d) A municipality may file an objection with the state board of assessors to the amount, valuation or taxability under this section or to the change from assessment under this section to assessment under s. 70.32 (1) of a specific property having a situs in the municipality, whether or not the owner of the specific property in question has filed an objection. Objection shall be made on a form prescribed by the department and filed with the board within 60 days of the date of the issuance of the assessment in question. A \$45 filing fee shall be paid when the objection is filed unless a fee has been paid in respect to the same piece of property and that appeal has not been finally adjudicated. The objection is not filed until the fee is paid. The board shall forthwith notify the person assessed of the objection filed by the municipality.

(dm) The department shall refund filing fees paid under par. (c) or (d) if the appeal in respect to the fee is denied because of lack of jurisdiction.

(e) Upon completion of and review by the tax appeals commission and receipt of the statement of assessments required under s. 70.53, the department of revenue shall be responsible for equating all full-value manufacturing property assessments entered in the manufacturing property assessment roll to the general level of assessment of all other property within the individual taxation district. Thereafter, the manufacturing property assessment roll shall be delivered to the municipal clerk and annexed to the municipal assessment roll containing all other property.

(f) No manufacturing property assessment may be reviewed in a proceeding under s. 70.75 or 70.85, but such assessment may be reviewed in reassessment proceedings under s. 70.75 (1).

(9) Any aggrieved party may appeal a determination by the tax appeals commission under sub. (8) to the circuit court for Dane county under s. 73.015.

(10) Municipalities, and counties with a county assessor system, shall have access to all manufacturing property for the purpose of making appraisals of valuation of such property and may employ appraisal personnel, who need not be certified under s. 70.05 (4), for such purpose.

(11) If any county appoints a county assessor under s. 70.99, the department of revenue shall nevertheless assess the property described in subs. (1) and (2) and shall continue to assess such property when required by this section, and the notice to the municipal assessor required by sub. (6) shall, in such case be made directly to the county assessor.

(12) (a) The department of revenue shall prescribe a standard manufacturing property report form that shall be submitted annually for each real estate parcel and each personal property account on or before March 1 by all manufacturers whose property is assessed under this section. The report form shall contain all

information deemed necessary by the department and shall include, without limitation, income and operating statements, fixed asset schedules and a report of new construction or demolition. Failure to submit the report shall result in denial of any right of redetermination by the state board of assessors or the tax appeals commission. If any property is omitted or understated in the assessment roll in any of the next 5 previous years, the assessor shall enter the value of the omitted or understated property once for each previous year of the omission or understatement. The assessor shall designate each additional entry as omitted or understated for the year [...] of omission or understatement. The assessor shall affix a just valuation to each entry for a former year as it should have been assessed according to the assessor's best judgment. Taxes shall be apportioned and collected on the tax roll for each entry, on the basis of the net tax rate for the year of the omission, taking into account credits under s. 79.10, and interest shall be added at the rate of 0.0267% per day for the period of time between the date when the form is required to be submitted and the date when the assessor affixes the just valuation.

NOTE: Sub. (1) is shown as affected by two acts of the 1997 legislature and as merged by the revisor under s. 13.93 (2) (c). The bracketed blank was inserted by 1997 Wis. Act 250, but rendered surplusage by 1997 Wis. Act 35. Corrective legislation is pending.

(b) The department of revenue shall allow an extension to April 1 of the due date for filing the report forms required under par. (a) if a written application for an extension, stating the reason for the request, is filed with the department before March 1.

(c) Unless the taxpayer shows that the failure is due to reasonable cause, if a taxpayer fails to file any form required under par. (a) for property that the department of revenue assessed during the previous year by the due date or by any extension of the due date that has been granted, the taxpayer shall pay to the department of revenue a penalty of the greater of \$10 or 0.05% of the previous year's full value assessment not to exceed \$1,000. If the form required under par. (a) for property that the department of revenue assessed during the previous year is not filed within 30 days after the due date or within 30 days after any extension, the taxpayer shall pay to the department of revenue a 2nd penalty of the greater of \$10 or 0.05% of the previous year's full value assessment not to exceed \$1,000. Penalties are due 30 days after they are assessed and are delinquent if not paid on or before that date. The department may refund all or part of any penalty it assesses under this paragraph if it finds reasonable grounds for late filing.

(d) Sections 71.82 (2) (a) and 71.91 (4) to (6), as they apply to the taxes under ch. 71, apply to the penalties under par. (c).

(12m) Any property assessment increased by the reviewing authority under s. 70.511 shall be entered in the assessment roll as prescribed under sub. (12).

(12r) The department of revenue shall calculate the value of property that is used in manufacturing, as defined in this section, and that is exempt under s. 70.11 (39).

(13) In the sections of this chapter relating to assessment of property, when the property involved is a manufacturing property subject to assessment under this section, the terms "local assessor" or "assessor" shall be deemed to refer also to the department of revenue except as provided in sub. (10).

History: 1973 c. 90, 283, 333; 1975 c. 39, 144, 199, 200, 213, 224; 1977 c. 29 ss. 776 to 782, 1646 (3), 1647 (5m), 1656 (38); 1977 c. 31, 142, 272; 1977 c. 300 ss. 7, 8; 1977 c. 328, 377, 418, 447; 1979 c. 34 ss. 883m, 2102 (39) (g); 1979 c. 221; 1981 c. 20; 1983 a. 27; 1983 a. 275 s. 15 (8); 1985 a. 29; 1985 a. 120 s. 3202 (46); 1987 a. 27, 196, 399; 1989 a. 31; 1991 a. 39, 269; 1993 a. 307, 391; 1995 a. 227, 408; 1997 a. 35, 237, 250; s. 13.93 (2) (c).

The board of assessors committed jurisdictional error by disregarding market adjustments which were not disputed during assessment review proceedings. This section does not contravene either the uniform taxation or equal protection clauses. State ex rel. Ft. How. Paper v. Lake Dist. Bd. 82 W (2d) 491, 263 NW (2d) 172.

Sub. (1) (a) does not include all structures used predominantly in support of manufacturing as manufacturing property, but limits qualifying support structures to warehouses, storage facilities and office structures. Sub. (2) defines activities or industries that are considered manufacturing, but does not create a category of manufacturing property independent of sub. (1) (a). S.C. Johnson, Inc. v. DOR, 202 W (2d) 715, 552 NW (2d) 102 (Ct. App. 1996).