

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA(LRBs0034/1)-AB100)**

Received: **02/15/2001**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **Spencer Black (608) 266-7521**

By/Representing: **susan**

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

Drafter: **jkreye**

May Contact:

Alt. Drafters:

Subject: **Tax - property**

Extra Copies:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

ATM computer property tax exemption

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**Instructions:**

See Attached

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**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 02/15/2001	csicilia 02/15/2001	haugeca 02/15/2001	_____	lrb_docadmin 02/15/2001	lrb_docadmin 02/15/2001	

FE Sent For:

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/1	jkreye	1 cjs 2/15/01	CH 2-15	CH 2-15 sub			

FE Sent For:

<END>

**ASSEMBLY SUBSTITUTE AMENDMENT ,  
TO 2001 ASSEMBLY BILL 100**

1     **AN ACT** *to repeal* 20.395 (2) (dq); *to amend* 20.395 (4) (aq), 20.395 (9) (rd), 20.395  
2           (9) (td), 76.02 (1) and 78.55 (1); and *to create* 20.395 (2) (dc), 20.395 (2) (dr),  
3           20.395 (2) (dt), 25.40 (1) (cd), 70.11 (41) and 77.65 of the statutes; **relating to:**  
4           a property tax exemption for an air carrier that operates from a hub facility,  
5           creating an airport financing committee, granting rule-making authority and  
6           making appropriations.

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

7           **SECTION 1.** 20.395 (2) (dc) of the statutes is created to read:  
8           20.395 (2) (dc) *Aeronautical activities matching supplement, state funds.* From  
9           the general fund, a sum sufficient in each fiscal year equal to one-half of the  
10          difference between \$11,800,000 and the amounts received under par. (dr) during the  
11          preceding fiscal year, or equal to \$650,000, whichever is less, for the purposes of the  
12          state's share of airport projects under ss. 114.34 and 114.35; for developing air

1 marking and other air navigational facilities; for administration of the powers and  
2 duties of the secretary of transportation under s. 114.31; for costs associated with  
3 aeronautical activities under s. 114.31, except for the program under s. 114.31 (3) (b);  
4 and for the administration of other aeronautical activities, except aircraft  
5 registration under s. 114.20, authorized by law. No moneys may be encumbered from  
6 this appropriation for any fiscal year in excess of the amounts encumbered from the  
7 appropriation under par. (dt) for that fiscal year. No moneys may be encumbered  
8 from this appropriation for any fiscal year if the amounts received under par. (dr)  
9 during the previous fiscal year are equal to or greater than \$11,800,000.

10 SECTION 2. 20.395 (2) (dq) of the statutes is repealed.

11 SECTION 3. 20.395 (2) (dr) of the statutes is created to read:

12 20.395 (2) (dr) *Aeronautical activities, state funds.* All moneys received from  
13 taxes on air carrier companies under ch. 76, from aircraft registration fees under s.  
14 114.20, from general aviation fuel taxes under subch. III of ch. 78, from sales and use  
15 taxes on noncommercial aircraft as determined under s. 77.65 and from any other  
16 tax or fee received from an aeronautical activity and deposited in the transportation  
17 fund, except moneys appropriated under pars. (dv) and (dx) and sub. (4) (es), and all  
18 moneys transferred under 2001 Wisconsin Act .... (this act), section 14 (1), for the  
19 purposes of the state's share of airport projects under ss. 114.34 and 114.35; for  
20 developing air marking and other air navigational facilities; for administration of the  
21 powers and duties of the secretary of transportation under s. 114.31; for costs  
22 associated with aeronautical activities under s. 114.31, except for the program under  
23 s. 114.31 (3) (b); and for the administration of other aeronautical activities, except  
24 aircraft registration under s. 114.20, authorized by law.

25 SECTION 4. 20.395 (2) (dt) of the statutes is created to read:

1           20.395 (2) (dt) *Aeronautical activities supplement, state funds.* A sum sufficient  
2 in each fiscal year equal to one-half of the difference between \$11,800,000 and the  
3 amounts received under par. (dr) during the preceding fiscal year, or equal to  
4 \$650,000, whichever is less, for the purposes of the state's share of airport projects  
5 under ss. 114.34 and 114.35; for developing air marking and other air navigational  
6 facilities; for administration of the powers and duties of the secretary of  
7 transportation under s. 114.31; for costs associated with aeronautical activities  
8 under s. 114.31, except for the program under s. 114.31 (3) (b); and for the  
9 administration of other aeronautical activities, except aircraft registration under s.  
10 114.20, authorized by law. No moneys may be encumbered from this appropriation  
11 for any fiscal year in excess of the amounts encumbered from the appropriation  
12 under par. (dc) for that fiscal year. No moneys may be encumbered from this  
13 appropriation for any fiscal year if the amounts received under par. (dr) during the  
14 previous fiscal year are equal to or greater than \$11,800,000.

15           **SECTION 5.** 20.395 (4) (aq) of the statutes is amended to read:

16           20.395 (4) (aq) *Departmental management and operations, state funds.* The  
17 amounts in the schedule for departmental planning and administrative activities  
18 and the administration and management of departmental programs except those  
19 programs under subs. (2) (bq), (cq) ~~and (dq), (dc), (dr), and (dt)~~ and (3) (iq), including  
20 those activities in s. 85.07 and including not less than \$220,000 in each fiscal year  
21 to reimburse the department of justice for legal services provided the department  
22 under s. 165.25 (4) (a) and including activities related to the demand management  
23 and ride-sharing program under s. 85.24 that are not funded from the appropriation  
24 under sub. (1) (bs), (bv) or (bx), the minority civil engineer scholarship and loan  
25 repayment incentive grant program under s. 85.107, the Type 1 motorcycle, moped

1 and motor bicycle safety program under s. 85.30 and to match federal funds for mass  
2 transit planning.

3 **SECTION 6.** 20.395 (9) (rd) of the statutes is amended to read:

4 20.395 (9) (rd) *Airport construction major cost carry-over.* When an airport  
5 development project is approved by the governor under s. 114.33 (3), the moneys  
6 allocated for the project from sub. (2) ~~(dq)~~ (dc), (dr) and (dt) shall be considered  
7 encumbered and carried-over to subsequent years to meet the state's share of the  
8 project.

9 **SECTION 7.** 20.395 (9) (td) of the statutes is amended to read:

10 20.395 (9) (td) *Real estate major cost carry-over.* Subject to s. 86.255, when a  
11 highway, airport or railroad land acquisition project is approved by the secretary  
12 under s. 84.09, 85.09 or 114.33, the moneys allocated for the project from subs. (2)  
13 (bq), ~~(dq)~~ (dc), (dr), (dt), and (eq) and (3) (bq), (cq) and (eq) may be considered  
14 encumbered.

15 **SECTION 8.** 25.40 (1) (cd) of the statutes is created to read:

16 25.40 (1) (cd) Taxes on the sale and use of noncommercial aircraft under ch. 77  
17 as determined under s. 77.65.

18 **SECTION 9.** 70.11 (41) of the statutes is created to read:

19 70.11 (41) HUB FACILITY. (a) In this subsection:

20 1. "Air carrier company" means any person engaged in the business of  
21 transportation in aircraft of persons or property for hire on regularly scheduled  
22 flights. In this subdivision, "aircraft" has the meaning given in s. 76.02 (1).

23 2. "Hub facility" means any of the following:

24 a. A facility at an airport from which an air carrier company operated at least  
25 45 common carrier departing flights each weekday in the prior year and from which

1 it transported passengers to at least 15 nonstop destinations, as defined by rule by  
2 the department of revenue, or transported cargo to nonstop destinations, as defined  
3 by rule by the department of revenue.

4 b. An airport or any combination of airports in this state from which an air  
5 carrier company cumulatively operated at least 20 common carrier departing flights  
6 each weekday in the prior year, if the air carrier company's headquarters, as defined  
7 by rule by the department of revenue, is in this state.

8 (b) Property owned by an air carrier company that operates a hub facility in this  
9 state, if the property is used in the operation of the air carrier company.

10 **SECTION 10.** 76.02 (1) of the statutes is amended to read:

11 76.02 (1) "Air carrier company" means any person engaged in the business of  
12 transportation in aircraft of persons or property for hire on regularly scheduled  
13 flights, except an air carrier company whose property is exempt from taxation under  
14 s. 70.11 (41)(b). In this subsection, "aircraft" means a completely equipped operating  
15 unit, including spare flight equipment, used as a means of conveyance in air  
16 commerce.

17 **SECTION 11.** 77.65 of the statutes is created to read:

18 **77.65 Determination of sales and use tax receipts for aeronautical**  
19 **activities.** By July 1, 2003, and every July 1 thereafter, the department shall  
20 determine, and deposit in the transportation fund, the total amount of the sales tax  
21 and use tax, as imposed under ss. 77.52 and 77.53, paid in the immediately preceding  
22 calendar year on the sale and use of noncommercial aircraft.

23 **SECTION 12.** 78.55 (1) of the statutes is amended to read:

24 78.55 (1) "Air carrier company" has the meaning given in s. ~~76.02(1)~~ 70.11 (41)

25 (a) 1.

**SECTION 13. Nonstatutory provisions.**

(1) AIRPORT FINANCING COMMITTEE. There is created an airport financing committee consisting of members appointed by the governor. The governor shall appoint members representing the department of transportation, the department of commerce, airport managers, airlines serving this state, the general aviation community, the people of this state, and private businesses having an interest in transportation policy and financing. The committee shall review and evaluate this state's airport system needs and the current system of funding those needs and shall recommend changes, if any, to better meet those needs. The committee shall evaluate, among other things: aircraft registration fees; aviation fuel taxes and fees; allocation of sales tax receipts from the sale of aircraft, parts, and services to the appropriation account under section 20.395 (2) (dr) of the statutes, as created by this act, and allocation of other moneys to that appropriation account. The committee's recommendations, if any, should, if enacted, generate revenue in amounts equal to or greater than the sum of moneys appropriated for aeronautical activities in fiscal year 2001. Not later than December 31, 2001, the committee shall submit a report containing the committee's evaluation, findings, and recommendations to the governor, and to the legislature in the manner provided under section 13.172 (2) of the statutes.

**SECTION 14. Appropriation changes.**

(1) The unencumbered balance of the appropriation to the department of transportation under section 20.395 (2) (dq) of the statutes immediately before the effective date of this subsection is transferred to the appropriation account under section 20.395 (2) (dr) of the statutes, as created by this act.

**SECTION 15. Initial applicability.**



1 (1) HUB FACILITY. The treatment of sections 70.11 (41), 76.02 (1), and 78.55 (1)  
2 of the statutes first applies to the property tax assessments as of January 1, 2001.

3 (2) REVENUES RECEIVED FROM AD VALOREM TAX ON AIR CARRIERS. The treatment of  
4 section 20.395 (2) (dr) of the statutes first applies to moneys received from taxes and  
5 fees on July 1, 2003.

6 **SECTION 16. Effective dates.** This act takes effect on the day after publication,  
7 except as follows:

8 (1) The treatment of section 20.395 (2) (dc), (dq), (dr), and (dt), (4) (aq), and (9)  
9 (rd) and (td) of the statutes and SECTION 14 (1) of this act take effect on July 1, 2003.

10 (END)

2001

Date (time) needed

2-15-01

LRBa 0253,1

AMENDMENT

NOW

VR: Y: cjs

See form AMENDMENTS — COMPONENTS & ITEMS.

S (A) AMENDMENT

TO S A AMENDMENT (LRBa )

TO S (A) SUBSTITUTE AMENDMENT (LRBs 003411)

(TO) 2001 SB SJR SR (AB) AJR AR 100 (LRB- 1 )

At the locations indicated, amend the substitute amendment as follows:

(fill ONLY if "engrossed ...." or "as shown by .....")

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

~~ASSEMBLY AMENDMENT,  
TO 2001 ASSEMBLY BILL 100~~

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

2 1. Page 1, line <sup>5</sup>4: after "committee," insert "the personal property tax  
3 exemption for computers,".

4 2. Page <sup>4</sup>3, line <sup>17</sup>25: after that line insert:

5 "SECTION <sup>SM</sup>70.11 (39) of the statutes is amended to read:

6 70.11 (39) COMPUTERS. If the owner of the property fulfills the requirements  
7 under s. 70.35, mainframe computers, minicomputers, personal computers,  
8 networked personal computers, servers, terminals, monitors, disk drives, electronic  
9 peripheral equipment, tape drives, printers, basic operational programs, systems  
10 software, prewritten software, and custom software. The exemption under this  
11 subsection does not apply to automatic teller machines, fax machines, copiers,  
12 equipment with embedded computerized components, or telephone systems,

1 including equipment that is used to provide telecommunications services, as defined  
2 in s. 76.80 (3)."

3 **3.** Page ~~5~~<sup>7</sup>, line ~~28~~<sup>5</sup>: after that line insert:

4 "<sup>3</sup>~~(2)~~ COMPUTERS. The treatment of section 70.11 (39) of the statutes first applies ✓  
5 to the property tax assessments as of January 1, 2001."

6 (END)

NON-STAT:  
INIT APP