

**2001 DRAFTING REQUEST**

**Bill**

Received: 04/25/2001

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Mark Pettis (608) 267-2365

By/Representing:

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax Credits (prop) - property

Extra Copies:

Submit via email: NO

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Property tax credit based on county timber sales

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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>
/P1	jkreye 05/01/2001	wjackson 05/08/2001	jfrantze 05/08/2001	_____	lrb_docadmin 05/08/2001		Local
	jkreye 05/10/2001	wjackson 05/10/2001		_____			
				_____			
/1	jkreye 08/08/2001	csicilia 08/08/2001	pgreensl 05/11/2001	_____	lrb_docadmin 05/11/2001	lrb_docadminLocal 08/09/2001	
	jkreye 08/08/2001			_____			
				_____			

FE Sent For:

*R*  
*At Intro*

<END>

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1 WJ 5/10

5/11

p8 3/11

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1?	jkreye	1/11 WJ 5/8	7/5/8	3/6 5/8			

FE Sent For:

<END>

4-25-01

Pethi

County own forest land — sell stumpage / timber  
goes to Me / general fund  
county's

Proceed to go to property tax relief  
per parcel (covers all parcels of farmland)

mechanism same / lottery credit  
can

reflected on tax bill — separate line item

(see 99 ACT 5)  
(-lottery credit)



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in 5-1-01  
D-N

gan

1 AN ACT ...; relating to: a property tax credit for county timber sales.

*Analysis by the Legislative Reference Bureau*

Under this bill, each parcel of taxable property is allocated a property tax credit equal to a proportionate share of the amount of revenue generated from selling timber located on property owned by the county in which the parcel is located.

For further information see the *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:*

*the county received*

2 SECTION 1. 70.62 (1m) of the statutes is created to read:

3 70.62 (1m) TIMBER SALES CREDIT. (a) The county board shall determine the  
4 amount of revenue ~~generated~~ from selling timber located on county-owned property  
5 in the immediately preceding year.

6 (b) The county clerk shall calculate the sum of the amount determined under  
7 par. (a) divided by the number of parcels of taxable property located in the county and  
8 shall certify the sum to each clerk of a taxation district located in the county so that



1 each clerk may include the sum as a credit on the property tax bill for each parcel of  
2 taxable property located in the taxation district, as provided under s. 74.09 (3) (b) 3m. ✓

3 **SECTION 2.** 74.09 (3) (b) 3m. ↓ of the statutes is created to read:

4 74.09 (3) (b) 3m. The tax levied on the property by the county where the  
5 property is located minus the credit under s. 70.62 (1m) (b) ↓ allocable to the property,  
6 for the previous year and the current year, and the percentage change in that net tax  
7 between those years.

8 **SECTION 3.** 74.09 (3) (b) 4. ↓ of the statutes is amended to read:

9 74.09 (3) (b) 4. The tax levied on the property by each taxing jurisdiction where  
10 the property is located, other than the school district and the county, for the previous  
11 year and the current year, and the percentage change in each of those taxes between  
12 those years.

13 **History:** 1987 a. 378; 1989 a. 31; 1991 a. 39, 60; 1993 a. 399; 1995 a. 27, 454; 1997 a. 27.

13 **SECTION 4. Initial applicability.**

14 (1) This act first applies to the property tax assessments as of January 1, 2002.

15 (END)

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

LRB-3151/dn

JK:.....

WJ

Representative Pettis:

Please review this draft carefully to ensure that it is consistent with your intent. I tried to make the administration of the credit as simple as possible. However, because property tax administration is, generally, rather complicated, you may want the department of revenue to review the draft before I make any changes. Please contact me if you have any questions.

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.state.wi.us

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

LRB-3151/P1dn  
JK:wlj:jf

May 8, 2001

Representative Pettis:

Please review this draft carefully to ensure that it is consistent with your intent. I tried to make the administration of the credit as simple as possible. However, because property tax administration is, generally, rather complicated, you may want the department of revenue to review the draft before I make any changes. Please contact me if you have any questions.

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Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.state.wi.us



~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

in 5-9-01

net proceeds

REGEN

1 AN ACT to amend 74.09 (3) (b) 4.; and to create 70.62 (1m) and 74.09 (3) (b) 3m.  
2 of the statutes; relating to: a property tax credit for county timber sales.

**Analysis by the Legislative Reference Bureau**

Under this bill, each parcel of taxable property is allocated a property tax credit equal to a proportionate share of the amount of ~~revenue~~ generated from selling timber located on property owned by the county in which the parcel is located.

For further information see the *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:**

3 SECTION 1. 70.62 (1m) of the statutes is created to read:

4 70.62 (1m) TIMBER SALES CREDIT. (a) The county board shall determine the  
5 amount of ~~revenue~~ <sup>net proceeds</sup> the county received from selling timber located on county-owned  
6 property in the immediately preceding year. <sup>as provided under s. 28.11(6),</sup>

7 (b) The county clerk shall calculate the sum of the amount determined under  
8 par. (a) divided by the number of parcels of taxable property located in the county and

1 shall certify the sum to each clerk of a taxation district located in the county so that  
2 each clerk may include the sum as a credit on the property tax bill for each parcel of  
3 taxable property located in the taxation district, as provided under s. 74.09 (3) (b) 3m.

4 **SECTION 2.** 74.09 (3) (b) 3m. of the statutes is created to read:

5 74.09 (3) (b) 3m. The tax levied on the property by the county where the  
6 property is located minus the credit under s. 70.62 (1m) (b) allocable to the property,  
7 for the previous year and the current year, and the percentage change in that net tax  
8 between those years.

9 **SECTION 3.** 74.09 (3) (b) 4. of the statutes is amended to read:

10 74.09 (3) (b) 4. The tax levied on the property by each taxing jurisdiction where  
11 the property is located, other than the school district and the county, for the previous  
12 year and the current year, and the percentage change in each of those taxes between  
13 those years.

14 **SECTION 4. Initial applicability.**

15 (1) This act first applies to the property tax assessments as of January 1, 2002.

16 (END)

Rep Lettin

5-9-01

"net proceeds" — Chap. 28 (see dog 28)  
from timber sales  
townships — \$ in lieu of taxes

rather than "revenue" — ~~page 1~~ ~~line~~  
5

ex) county sells \$ in timber — pays out the  
relevant payments — \$ left over goes  
to property tax relief

timber sales under s. 28.11(6)



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET  
P. O. BOX 2037  
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561  
REFERENCE SECTION: (608) 266-0341  
FAX: (608) 266-5648

STEPHEN R. MILLER  
CHIEF

August 24, 2001

## MEMORANDUM

**To:** Representative Pettis

**From:** Joseph T. Kreye, Legislative Attorney, (608) 266-2263

**Subject:** Technical Memorandum to **2001 AB-476** (LRB-3151/1)

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

## MEMORANDUM

August 24, 2001

**TO:** Joseph Kreye  
Legislative Reference Bureau

**FROM:** Brian Pahnke  
Department of Revenue

**SUBJECT:** Technical Memorandum on 2001 AB 476 Concerning a Property Tax Credit for County Timber Sales

We have the following concerns about this bill.

- 1) The proposed timber sales credit would be paid to real estate owners on a per parcel basis. Since the credit would not be based on property value and would not be paid to owners of personal property, it could violate the uniformity in taxation clause of the State Constitution.
- 2) On page 2, lines 1, 3, and 4, reference is made to "the sum" in determining the amount of the credit. Since the amount is determined by dividing two numbers, it may be clearer to refer to this amount as "the quotient".
- 3) There is no provision for the credit to be paid to municipalities and for the credit to be accounted for in the tax settlement process. If the credit is not paid out to municipalities, they will not collect enough from taxpayers and need to make up the shortfall.
- 4) The proposal makes no provision for the amount of the credit to appear on property tax bills, as is done for the lottery credit and school levies credit.

If you have questions regarding this technical memorandum, please contact Daniel Huegel at 266-5705.

BP:DPH