



DOA:.....Holden - Property tax assessment of manufacturing property

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

D-N

in 10-26-00

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

*Analysis by the Legislative Reference Bureau*

**TAXATION**

**PROPERTY TAXATION**

Under current law, DOR assesses manufacturing property, and determines what property is classified as manufacturing property, for property tax purposes. If a reviewing authority for property tax assessments reduces a manufacturing property's assessed value or determines that manufacturing property is exempt from property tax, the property owner may file a claim for a property tax refund with the municipality in which the property is located. The municipality pays the refund in one sum that includes interest on the refund amount, paid at the rate of 0.8% a month.

Under current law, a property owner may file an objection to a property tax assessment of the owner's manufacturing property with the state board of assessors within 60 days of receiving notice from DOR of the property's assessment.

Under this bill, property may be classified as manufacturing property in any year only if on or before March 1 of that year either DOR has classified it as manufacturing property or the property owner has requested that classification and DOR complies with the request. Under the bill, a municipality may pay a property tax refund to an owner of manufacturing property in five annual installments rather than all at once, if the refund is more than \$10,000, the refund amount represents at least 0.0025% of the municipality's tax levy, and the municipality's tax levy is less

than \$100,000,000. The interest on the refund amount is paid either at a rate of 10% a year or at a rate determined by the last auction of six-month U.S. treasury bills, whichever is less. In addition, the state compensates the municipality for the interest on any such refund that is paid by the municipality.

Under the bill, a property owner who files an objection to a property tax assessment of the owner's manufacturing property must include in the objection the reasons for the objection, an estimate of the correct assessment, and the basis for that estimate. In addition, the property owner may file supplemental information to support the objection within 30 days from the date that the objection is filed.

Under current law, an owner of manufacturing property must submit annually by March 1 a report to DOR that contains certain information about the property that DOR considers necessary for property tax assessment purposes. However, DOR may grant an extension to April 1 for filing the report. An owner of manufacturing property who fails to submit the report by the date that it is due must pay a penalty equal to the greater of \$10 or 0.05% of the property's assessment for the previous year, but not more than \$1,000. If the property owner does not submit the report within 30 days from the date that it is due, the property owner must pay a second penalty that is equal to the first.

Under the bill, an owner of manufacturing property who fails to submit the report by the date that it is due is subject to the following penalties: if the report is one to ten days late, \$25; if the report is 11 to 30 days late, the greater of \$50 or 0.05% of the previous year's assessment, but not more than \$250; and if the report is more than 30 days late, the greater of \$100 or 0.1% of the previous year's assessment, but not more than \$750.

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:***

**SECTION 1.** 20.835 (2) (bm) of the statutes is created to read:

20.835 (2) (bm) *Payments of interest on overassessments of manufacturing property.* A sum sufficient to make the payments under s. 70.511 (2) (br).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 70.511 (2) (b) of the statutes is amended to read:

70.511 (2) (b) If the reviewing authority reduces the value of the property in question, or determines that manufacturing property is exempt, the taxpayer may file a claim for refund of taxes resulting from the reduction in value or determination

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1 that the property is exempt. If Except as provided in par. (bm), if a claim for refund  
2 is filed with the clerk of the municipality on or before the November 1 following the  
3 decision of the reviewing authority, the claim shall be payable to the taxpayer from  
4 the municipality no later than January 31 of the succeeding year. ~~(A)~~ Except as  
5 provided in par. (bm), a claim filed after November 1 shall be paid to the taxpayer by  
6 the municipality no later than the 2nd January 31 after the claim is filed. Interest  
7 Except for claims related to property assessed under s. 70.995, interest on the claim  
8 at the rate of 0.8% per month shall be paid to the taxpayer when the claim is paid.  
9 Interest on claims related to property assessed under s. 70.995 shall be paid when  
10 the claim is made at the average annual discount interest rate determined by the last  
11 auction of 6-month U.S. treasury bills before an appeal or objection is filed under s.  
12 70.995 (8) or 10% per year, whichever is less. If the taxpayer requests a  
13 postponement of proceedings before the reviewing authority, interest on the claim  
14 shall permanently stop accruing at the date of the request. If the hearing is  
15 postponed at the request of the taxpayer, the reviewing authority shall hold a  
16 hearing on the appeal within 30 days after the postponement is requested unless the  
17 taxpayer agrees to a longer delay. If the reviewing authority postpones the hearing  
18 without a request by the taxpayer, interest on the claim shall continue to accrue. No  
19 interest may be paid if the reviewing authority determines under s. 70.995 (8) (a) that  
20 the value of the property was reduced because the taxpayer supplied false or  
21 incomplete information. If taxes are refunded, the municipality may proceed under  
22 s. 74.41.

23 **SECTION 3.** 70.511 (2) (bm) of the statutes is created to read:

24 70.511 (2) (bm) A municipality may pay a refund under par. (b) of the taxes on  
25 property that is assessed under s. 70.995 in 5 annual instalments, each of which

1 except the last is equal to at least 20% of the sum of the refund and the interest on  
2 the refund that is due, beginning on the date under par. (b), if all of the following  
3 conditions exist:

4 1. The municipality's property tax levy for its general operations for the year  
5 for which the taxes to be refunded are due is less than \$100,000,000.

6 2. The refund is at least 0.0025% of the municipality's levy for its general  
7 operations for the year for which the taxes to be refunded are due.

8 3. The refund is more than \$10,000.

9 **SECTION 4.** 70.511 (2) (br) of the statutes is created to read:

10 70.511 (2) (br) From the appropriation under s. 20.835 (2) (bm), the department  
11 of administration shall pay to each municipality that pays a refund under par. (b) for  
12 property that is assessed under s. 70.995 or that pays a refund under par. (bm) an  
13 amount equal to the interest that is paid by the municipality in the previous  
14 biennium and that has accrued up to the date of the determination by the tax appeals  
15 commission of the municipality's obligation.

16 **SECTION 5.** 70.995 (5) of the statutes is amended to read:

17 70.995 (5) ~~Commencing January 1, 1974, and annually thereafter, the~~ The  
18 department of revenue shall assess all property of manufacturing establishments  
19 included under subs. (1) and (2) as of the close of January 1 of each year, if on or before  
20 March 1 of that year the department has classified the property as manufacturing  
21 or the owner of the property has requested, in writing, that the department make  
22 such a classification and the department later does so. A change in ownership,  
23 location, or name of the manufacturing establishment does not necessitate a new  
24 request. In assessing lands from which metalliferous mincrals are being extracted

1 and valued for purposes of the tax under s. 70.375, the value of the metalliferous  
2 mineral content of such lands shall be excluded.

3 **SECTION 6.** 70.995 (6) of the statutes is amended to read:

4 70.995 (6) Prior to February 15 of each year the department of revenue shall  
5 notify each municipal assessor of the manufacturing property within the taxation  
6 district that, as of that date, will be assessed by the department during the current  
7 assessment year.

8 **SECTION 7.** 70.995 (8) (b) of the statutes is renumbered 70.995 (8) (b) 1. and  
9 amended to read:

10 70.995 (8) (b) 1. The department of revenue shall annually notify each  
11 manufacturer assessed under this section and the municipality in which the  
12 manufacturing property is located of the full value of all real and personal property  
13 owned by the manufacturer. The notice shall be in writing and shall be sent by 1st  
14 class mail. In addition, the notice shall specify that objections to valuation, amount,  
15 or taxability must be filed with the state board of assessors within 60 days of issuance  
16 of the notice of assessment, that objections to a change from assessment under this  
17 section to assessment under s. 70.32 (1) must be filed within 60 days after receipt of  
18 the notice, that the fee under par. (c) 1. or (d) must be paid and that the objection is  
19 not filed until the fee is paid. A statement shall be attached to the assessment roll  
20 indicating that the notices required by this section have been mailed and failure to  
21 receive the notice does not affect the validity of the assessments, the resulting tax  
22 on real or personal property, the procedures of the tax appeals commission or of the  
23 state board of assessors, or the enforcement of delinquent taxes by statutory means.

24 **SECTION 8.** 70.995 (8) (b) 2. of the statutes is created to read:

1           70.995 (8) (b) 2. If a municipality files an objection to the amount, valuation,  
2           taxability, or change from assessment under this section and the person assessed  
3           does not file an objection, the person assessed may file an appeal within 15 days after  
4           the municipality's objection is filed.

5           **SECTION 9.** 70.995 (8) (c) of the statutes is renumbered 70.995 (8) (c) 1. and  
6           amended to read:

7           70.995 (8) (c) 1. All objections to the amount, valuation, taxability, or change  
8           from assessment under this section to assessment under s. 70.32 (1) of property shall  
9           be first made in writing on a form prescribed by the department of revenue and that  
10          specifies that the objector shall set forth the reasons for the objection, the objector's  
11          estimate of the correct assessment, and the basis under s. 70.32 (1) for the objector's  
12          estimate of the correct assessment. An objection shall be filed with the state board  
13          of assessors within the time prescribed in par. (b) 1. A \$45 fee shall be paid when the  
14          objection is filed unless a fee has been paid in respect to the same piece of property  
15          and that appeal has not been finally adjudicated. The objection is not filed until the  
16          fee is paid. Neither the state board of assessors nor the tax appeals commission may  
17          waive the requirement that objections be in writing. Persons who own land and  
18          improvements to that land may object to the aggregate value of that land and  
19          improvements to that land, but no person who owns land and improvements to that  
20          land may object only to the valuation of that land or only to the valuation of  
21          improvements to that land.

22          **SECTION 10.** 70.995 (8) (c) 2. of the statutes is created to read:

23          70.995 (8) (c) 2. A manufacturer who files an objection under subd. 1. may file  
24          supplemental information to support the manufacturer's objection within 30 days  
25          from the date the objection is filed. The state board of assessors shall notify the

1 municipality in which the manufacturer's property is located of supplemental  
2 information filed by the manufacturer under this subdivision, if the municipality has  
3 filed an appeal related to the objection.

4 **SECTION 11.** 70.995 (8) (d) of the statutes is amended to read:

5 70.995 (8) (d) A municipality may file an objection with the state board of  
6 assessors to the amount, valuation, or taxability under this section or to the change  
7 from assessment under this section to assessment under s. 70.32 (1) of a specific  
8 property having a situs in the municipality, whether or not the owner of the specific  
9 property in question has filed an objection. Objection shall be made on a form  
10 prescribed by the department and filed with the board within 60 days of the date of  
11 the issuance of the assessment in question. If the person assessed files an objection  
12 and the municipality affected does not file an objection, the municipality affected  
13 may file an appeal to that objection within 15 days after the person's objection is filed.  
14 A \$45 filing fee shall be paid when the objection is filed unless a fee has been paid  
15 in respect to the same piece of property and that appeal has not been finally  
16 adjudicated. The objection is not filed until the fee is paid. The board shall forthwith  
17 notify the person assessed of the objection filed by the municipality.

18 **SECTION 12.** 70.995 (8) (dm) of the statutes is amended to read:

19 70.995 (8) (dm) The department shall refund filing fees paid under par. (c) 1.  
20 or (d) if the appeal in respect to the fee is denied because of lack of jurisdiction.

21 **SECTION 13.** 70.995 (12) (a) of the statutes is amended to read:

22 70.995 (12) (a) The department of revenue shall prescribe a standard  
23 manufacturing property report form that shall be submitted annually for each real  
24 estate parcel and each personal property account on or before March 1 by all  
25 manufacturers whose property is assessed under this section. The report form shall

1 contain all information considered necessary by the department and shall include,  
 2 without limitation, income and operating statements, fixed asset schedules and a  
 3 report of new construction or demolition. Failure to submit the report shall result  
 4 in denial of any right of redetermination by the state board of assessors or the tax  
 5 appeals commission. If any property is omitted or understated in the assessment roll  
 6 in any of the next 5 previous years, the assessor shall enter the value of the omitted  
 7 or understated property once for each previous year of the omission or  
 8 understatement. ~~The assessor shall designate each additional entry as omitted or~~  
 9 ~~understated for the year of omission or understatement.~~ The assessor shall affix a  
 10 just valuation to each entry for a former year as it should have been assessed  
 11 according to the assessor's best judgment. Taxes shall be apportioned and collected  
 12 on the tax roll for each entry, on the basis of the net tax rate for the year of the  
 13 omission, taking into account credits under s. 79.10<sup>STET</sup> and. In the case of omitted  
 14 property,<sup>STET</sup> interest shall be added at the rate of 0.0267% per day for the period of time  
 15 between the date when the form is required to be submitted and the date when the  
 16 assessor affixes the just valuation. In the case of underpayments determined after  
 17 an objection under s. 70.995 (8) (d), interest shall be added at the average annual  
 18 discount interest rate determined by the last auction of 6-month U.S. treasury bills  
 19 before the objection per day for the period of time between the date when the tax was  
 20 due and the date when it is paid.

21 **SECTION 14.** 70.995 (12) (b) of the statutes is amended to read:

22 70.995 (12) (b) The department of revenue shall allow an extension to April 1  
 23 of the due date for filing the report forms required under par. (a) if a written  
 24 application for an extension, stating the reason for the request, is filed with the  
 25 department on or before March 1.

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1           **SECTION 15.** 70.995 (12) (c) of the statutes is amended to read:

2           70.995 (12) (c) Unless the taxpayer shows that the failure is due to reasonable  
3 cause, if a taxpayer fails to file any form required under par. (a) for property that the  
4 department of revenue assessed during the previous year by the due date or by any  
5 extension of the due date that has been granted, the taxpayer shall pay to the  
6 department of revenue a penalty of the greater of \$10 or 0.05% of the previous year's  
7 full value assessment not to exceed \$1,000. ~~If the form required under par. (a) for~~  
8 ~~property that the department of revenue assessed during the previous year is not~~  
9 ~~filed within 30 days after the due date or within 30 days after any extension, the~~  
10 ~~taxpayer shall pay to the department of revenue a 2nd penalty of the greater of \$10~~  
11 ~~or 0.05% of the previous year's full value assessment not to exceed \$1,000~~ \$25 if the  
12 form is filed 1 to 10 days late; \$50 or 0.05% of the previous year's assessment,  
13 whichever is greater, but not more than \$250, if the form is filed 11 to 30 days late;  
14 and \$100 or 0.1% of the previous year's assessment, whichever is greater, but not  
15 more than \$750, if the form is filed more than 30 days late. Penalties are due 30 days  
16 after they are assessed and are delinquent if not paid on or before that date. The  
17 department may refund all or part of any penalty it assesses under this paragraph  
18 if it finds reasonable grounds for late filing.

19           **SECTION 16.** 74.23 (1) (a) 5. of the statutes is created to read:

20           74.23 (1) (a) 5. Pay to each taxing jurisdiction within the district its  
21 proportionate share of the taxes and interest under s. 70.995 (12) (a).

22           **SECTION 17.** 74.25 (1) (a) 4m. of the statutes is created to read:

23           74.25 (1) (a) 4m. Pay to each taxing jurisdiction within the district its  
24 proportionate share of the taxes and interest under s. 70.995 (12) (a).

25           **SECTION 18.** 74.30 (1) (dm) of the statutes is created to read:

1           74.30 (1) (dm) Pay to each taxing jurisdiction within the district its  
2 proportionate share of the taxes and interest under s. 70.995 (12) (a).

3           **SECTION 19.** 74.35 (3) (c) of the statutes is amended to read:

4           74.35 (3) (c) If the governing body of the taxation district determines that an  
5 unlawful tax has been paid and that the claim for recovery of the unlawful tax has  
6 complied with all legal requirements, the governing body shall allow the claim. The  
7 Except as provided in par. (cm), the taxation district treasurer shall pay the claim  
8 not later than 90 days after the claim is allowed.

9           **SECTION 20.** 74.35 (3) (cm) of the statutes is created to read:

10          74.35 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on  
11 property that is assessed under s. 70.995 in 5 annual instalments, each of which  
12 except the last is equal to at least 20% of the sum of the refund and the interest on  
13 the refund, beginning in the year of the determination under par. (c), if all of the  
14 following conditions exist:

15           1. The municipality's property tax levy for its general operations for the year  
16 for which the taxes to be refunded are due is less than \$100,000,000.

17           2. The refund is at least 0.0025% of the municipality's levy for its general  
18 operations for the year for which the taxes to be refunded are due.

19           3. The refund is more than \$10,000.

20          **SECTION 21.** 74.37 (3) (c) of the statutes is amended to read:

21          74.37 (3) (c) If the governing body of the taxation district or county that has a  
22 county assessor system determines that a tax has been paid which was based on an  
23 excessive assessment, and that the claim for an excessive assessment has complied  
24 with all legal requirements, the governing body shall allow the claim. The Except

1 as provided in par. (cm), the taxation district or county treasurer shall pay the claim  
2 not later than 90 days after the claim is allowed.

3 **SECTION 22.** 74.37 (3) (cm) of the statutes is created to read:

4 74.37 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on  
5 property that is assessed under s. 70.995 in 5 annual instalments, each of which  
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7 the refund, beginning in the year of the determination under par. (c), if all of the  
8 following conditions exist:

9 1. The municipality's property tax levy for its general operations for the year  
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11 2. The refund is at least 0.0025% of the municipality's levy for its general  
12 operations for the year for which the taxes to be refunded are due.

13 3. The refund is more than \$10,000.

14 **SECTION 9344. Initial applicability.**

15 (1) REFUNDS. The treatment of sections 70.511 (2) (b) and (bm), 74.35 (3) (c) and  
16 (cm), and 74.37 (3) (c), and (cm) of the statutes first applies to refunds of taxes that  
17 were collected based on the assessments as of January 1, 2001.

18 (2) OBJECTIONS. The treatment of section 70.995 (8) (c) of the statutes first  
19 applies to objections that are filed with the state board of assessors on the first day  
20 of the 3rd month beginning after the effective date of this subsection.

21 (3) SETTLEMENT OF TAXES. The treatment of sections 74.23 (1) (a) 5., 74.25 (1)  
22 (a) 4m. and 74.30 (1) (dm) of the statutes first applies to taxes that are based on the  
23 assessment as of January 1, 2001.

24

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Kerry Holden:

# This draft makes a technical correction to the analysis, as indicated in DOR's comments from Charles Turner.

VK

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

LRB-0543/2dn  
JK:cjs:rs

October 30, 2000

Kerry Holden:

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

## Kreye, Joseph

---

**To:** Holden, Kerry  
**Subject:** RE: LRB 543/2

Hello Kerry-

The draft currently has a 30 day provision (see page 6, line 24). I'll change the draft and the analysis to "60 days."

Joe

**Joseph T. Kreye**, Legislative Attorney  
Legislative Reference Bureau  
(608) 266-2263  
[joseph.kreye@legis.state.wi.us](mailto:joseph.kreye@legis.state.wi.us)

-----Original Message-----

**From:** Holden, Kerry  
**Sent:** Saturday, December 09, 2000 3:25 PM  
**To:** Kreye, Joseph  
**Subject:** LRB 543/2

Greetings Joe-

I have a question regarding draft 543/2. In the analysis, in the first full paragraph of page 2, the last sentence says, "In addition, the property owner may file supplemental information to support the objection within 30 days from the date that the objection is filed." We would like this date to be 60 days, and I think that's what I find in the draft itself. Could you check this out? Am I missing something?

Thanks for your help.  
Kerry

**Kerry Holden**  
Tax, Finance & Local Government Team  
DOA State Budget Office  
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Email: [Kerry.Holden@doa.state.wi.us](mailto:Kerry.Holden@doa.state.wi.us)



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0543/2  
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Under current law, a property owner may file an objection to a property tax assessment of the owner's manufacturing property with the state board of assessors within 60 days of receiving notice from DOR of the property's assessment.

Under this bill, property may be classified as manufacturing property in any year only if on or before March 1 of that year either DOR has classified it as manufacturing property or the property owner has requested that classification and DOR complies with the request. Under the bill, a municipality may pay a property tax refund to an owner of manufacturing property in five annual installments rather than all at once, if the refund is more than \$10,000, the refund amount represents at least 0.0025% of the municipality's tax levy, and the municipality's tax levy is less

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Under the bill, a property owner who files an objection to a property tax assessment of the owner's manufacturing property must include in the objection the reasons for the objection, an estimate of the correct assessment, and the basis for that estimate. In addition, the property owner may file supplemental information to support the objection within ~~30~~ 60 days from the date that the objection is filed.

Under current law, an owner of manufacturing property must submit annually by March 1 a report to DOR that contains certain information about the property that DOR considers necessary for property tax assessment purposes. However, DOR may grant an extension to April 1 for filing the report. An owner of manufacturing property who fails to submit the report by the date that it is due must pay a penalty equal to the greater of \$10 or 0.05% of the property's assessment for the previous year, but not more than \$1,000. If the property owner does not submit the report within 30 days from the date that it is due, the property owner must pay a second penalty that is equal to the first.

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5           70.511 (2) (b) If the reviewing authority reduces the value of the property in  
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1 that the property is exempt. If Except as provided in par. (bm), if a claim for refund  
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3 decision of the reviewing authority, the claim shall be payable to the taxpayer from  
4 the municipality no later than January 31 of the succeeding year. -A- Except as  
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12 70.995 (8) or 10% per year, whichever is less. If the taxpayer requests a  
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19 interest may be paid if the reviewing authority determines under s. 70.995 (8) (a) that  
20 the value of the property was reduced because the taxpayer supplied false or  
21 incomplete information. If taxes are refunded, the municipality may proceed under  
22 s. 71.11.

23 **SECTION 3.** 70.511 (2) (bm) of the statutes is created to read:

24 70.511 (2) (bm) A municipality may pay a refund under par. (b) of the taxes on  
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1 except the last is equal to at least 20% of the sum of the refund and the interest on  
2 the refund that is due, beginning on the date under par. (b), if all of the following  
3 conditions exist:

4 1. The municipality's property tax levy for its general operations for the year  
5 for which the taxes to be refunded are due is less than \$100,000,000.

6 2. The refund is at least 0.0025% of the municipality's levy for its general  
7 operations for the year for which the taxes to be refunded are due.

8 3. The refund is more than \$10,000.

9 **SECTION 4.** 70.511 (2) (br) of the statutes is created to read:

10 70.511 (2) (br) From the appropriation under s. 20.835 (2) (bm), the department  
11 of administration shall pay to each municipality that pays a refund under par. (b) for  
12 property that is assessed under s. 70.995 or that pays a refund under par. (bm) an  
13 amount equal to the interest that is paid by the municipality in the previous  
14 biennium and that has accrued up to the date of the determination by the tax appeals  
15 commission of the municipality's obligation.

16 **SECTION 5.** 70.995 (5) of the statutes is amended to read:

17 70.995 (5) ~~Commencing January 1, 1974, and annually thereafter, the~~ The  
18 department of revenue shall assess all property of manufacturing establishments  
19 included under subs. (1) and (2) as of the close of January 1 of each year, if on or before  
20 March 1 of that year the department has classified the property as manufacturing  
21 or the owner of the property has requested, in writing, that the department make  
22 such a classification and the department later does so. A change in ownership,  
23 location, or name of the manufacturing establishment does not necessitate a new  
24 request. In assessing lands from which metalliferous minerals are being extracted

1 and valued for purposes of the tax under s. 70.375, the value of the metalliferous  
2 mineral content of such lands shall be excluded.

3 **SECTION 6.** 70.995 (6) of the statutes is amended to read:

4 70.995 (6) Prior to February 15 of each year the department of revenue shall  
5 notify each municipal assessor of the manufacturing property within the taxation  
6 district that, as of that date, will be assessed by the department during the current  
7 assessment year.

8 **SECTION 7.** 70.995 (8) (b) of the statutes is renumbered 70.995 (8) (b) 1. and  
9 amended to read:

10 70.995 (8) (b) 1. The department of revenue shall annually notify each  
11 manufacturer assessed under this section and the municipality in which the  
12 manufacturing property is located of the full value of all real and personal property  
13 owned by the manufacturer. The notice shall be in writing and shall be sent by 1st  
14 class mail. In addition, the notice shall specify that objections to valuation, amount,  
15 or taxability must be filed with the state board of assessors within 60 days of issuance  
16 of the notice of assessment, that objections to a change from assessment under this  
17 section to assessment under s. 70.32 (1) must be filed within 60 days after receipt of  
18 the notice, that the fee under par. (c) 1. or (d) must be paid and that the objection is  
19 not filed until the fee is paid. A statement shall be attached to the assessment roll  
20 indicating that the notices required by this section have been mailed and failure to  
21 receive the notice does not affect the validity of the assessments, the resulting tax  
22 on real or personal property, the procedures of the tax appeals commission or of the  
23 state board of assessors, or the enforcement of delinquent taxes by statutory means.

24 **SECTION 8.** 70.995 (8) (b) 2. of the statutes is created to read:

1           70.995 (8) (b) 2. If a municipality files an objection to the amount, valuation,  
2           taxability, or change from assessment under this section and the person assessed  
3           does not file an objection, the person assessed may file an appeal within 15 days after  
4           the municipality's objection is filed.

5           **SECTION 9.** 70.995 (8) (c) of the statutes is renumbered 70.995 (8) (c) 1. and  
6           amended to read:

7           70.995 (8) (c) 1. All objections to the amount, valuation, taxability, or change  
8           from assessment under this section to assessment under s. 70.32 (1) of property shall  
9           be first made in writing on a form prescribed by the department of revenue and that  
10          specifies that the objector shall set forth the reasons for the objection, the objector's  
11          estimate of the correct assessment, and the basis under s. 70.32 (1) for the objector's  
12          estimate of the correct assessment. An objection shall be filed with the state board  
13          of assessors within the time prescribed in par. (b) 1. A \$45 fee shall be paid when the  
14          objection is filed unless a fee has been paid in respect to the same piece of property  
15          and that appeal has not been finally adjudicated. The objection is not filed until the  
16          fee is paid. Neither the state board of assessors nor the tax appeals commission may  
17          waive the requirement that objections be in writing. Persons who own land and  
18          improvements to that land may object to the aggregate value of that land and  
19          improvements to that land, but no person who owns land and improvements to that  
20          land may object only to the valuation of that land or only to the valuation of  
21          improvements to that land.

22          **SECTION 10.** 70.995 (8) (c) 2. of the statutes is created to read:

23          70.995 (8) (c) 2. A manufacturer who files an objection under subd. 1. may file  
24          supplemental information to support the manufacturer's objection within ~~90~~ <sup>60</sup> days  
25          from the date the objection is filed. The state board of assessors shall notify the

1 municipality in which the manufacturer's property is located of supplemental  
2 information filed by the manufacturer under this subdivision, if the municipality has  
3 filed an appeal related to the objection.

4 **SECTION 11.** 70.995 (8) (d) of the statutes is amended to read:

5 70.995 (8) (d) A municipality may file an objection with the state board of  
6 assessors to the amount, valuation, or taxability under this section or to the change  
7 from assessment under this section to assessment under s. 70.32 (1) of a specific  
8 property having a situs in the municipality, whether or not the owner of the specific  
9 property in question has filed an objection. Objection shall be made on a form  
10 prescribed by the department and filed with the board within 60 days of the date of  
11 the issuance of the assessment in question. If the person assessed files an objection  
12 and the municipality affected does not file an objection, the municipality affected  
13 may file an appeal to that objection within 15 days after the person's objection is filed.  
14 A \$45 filing fee shall be paid when the objection is filed unless a fee has been paid  
15 in respect to the same piece of property and that appeal has not been finally  
16 adjudicated. The objection is not filed until the fee is paid. The board shall forthwith  
17 notify the person assessed of the objection filed by the municipality.

18 **SECTION 12.** 70.995 (8) (dm) of the statutes is amended to read:

19 70.995 (8) (dm) The department shall refund filing fees paid under par. (c) 1.  
20 or (d) if the appeal in respect to the fee is denied because of lack of jurisdiction.

21 **SECTION 13.** 70.995 (12) (a) of the statutes is amended to read:

22 70.995 (12) (a) The department of revenue shall prescribe a standard  
23 manufacturing property report form that shall be submitted annually for each real  
24 estate parcel and each personal property account on or before March 1 by all  
25 manufacturers whose property is assessed under this section. The report form shall

1 contain all information considered necessary by the department and shall include,  
2 without limitation, income and operating statements, fixed asset schedules and a  
3 report of new construction or demolition. Failure to submit the report shall result  
4 in denial of any right of redetermination by the state board of assessors or the tax  
5 appeals commission. If any property is omitted or understated in the assessment roll  
6 in any of the next 5 previous years, the assessor shall enter the value of the omitted  
7 or understated property once for each previous year of the omission or  
8 understatement. ~~The assessor shall designate each additional entry as omitted or~~  
9 ~~understated for the year of omission or understatement.~~ The assessor shall affix a  
10 just valuation to each entry for a former year as it should have been assessed  
11 according to the assessor's best judgment. Taxes shall be apportioned and collected  
12 on the tax roll for each entry, on the basis of the net tax rate for the year of the  
13 omission, taking into account credits under s. 79.10, ~~and.~~ In the case of omitted  
14 property, interest shall be added at the rate of 0.0267% per day for the period of time  
15 between the date when the form is required to be submitted and the date when the  
16 assessor affixes the just valuation. In the case of underpayments determined after  
17 an objection under s. 70.995 (8) (d), interest shall be added at the average annual  
18 discount interest rate determined by the last auction of 6-month U.S. treasury bills  
19 before the objection per day for the period of time between the date when the tax was  
20 due and the date when it is paid.

21 **SECTION 14.** 70.995 (12) (b) of the statutes is amended to read:

22 70.995 (12) (b) The department of revenue shall allow an extension to April 1  
23 of the due date for filing the report forms required under par. (a) if a written  
24 application for an extension, stating the reason for the request, is filed with the  
25 department on or before March 1.

1           **SECTION 15.** 70.995 (12) (c) of the statutes is amended to read:

2           70.995 (12) (c) Unless the taxpayer shows that the failure is due to reasonable  
3 cause, if a taxpayer fails to file any form required under par. (a) for property that the  
4 department of revenue assessed during the previous year by the due date or by any  
5 extension of the due date that has been granted, the taxpayer shall pay to the  
6 department of revenue a penalty of ~~the greater of \$10 or 0.05% of the previous year's~~  
7 ~~full value assessment not to exceed \$1,000. If the form required under par. (a) for~~  
8 ~~property that the department of revenue assessed during the previous year is not~~  
9 ~~filed within 30 days after the due date or within 30 days after any extension, the~~  
10 ~~taxpayer shall pay to the department of revenue a 2nd penalty of the greater of \$10~~  
11 ~~or 0.05% of the previous year's full value assessment not to exceed \$1,000~~ \$25 if the  
12 form is filed 1 to 10 days late; \$50 or 0.05% of the previous year's assessment,  
13 whichever is greater, but not more than \$250, if the form is filed 11 to 30 days late;  
14 and \$100 or 0.1% of the previous year's assessment, whichever is greater, but not  
15 more than \$750, if the form is filed more than 30 days late. Penalties are due 30 days  
16 after they are assessed and are delinquent if not paid on or before that date. The  
17 department may refund all or part of any penalty it assesses under this paragraph  
18 if it finds reasonable grounds for late filing.

19           **SECTION 16.** 74.23 (1) (a) 5. of the statutes is created to read:

20           74.23 (1) (a) 5. Pay to each taxing jurisdiction within the district its  
21 proportionate share of the taxes and interest under s. 70.995 (12) (a).

22           **SECTION 17.** 74.25 (1) (a) 4m. of the statutes is created to read:

23           74.25 (1) (a) 4m. Pay to each taxing jurisdiction within the district its  
24 proportionate share of the taxes and interest under s. 70.995 (12) (a).

25           **SECTION 18.** 74.30 (1) (dm) of the statutes is created to read:

1           74.30 (1) (dm) Pay to each taxing jurisdiction within the district its  
2 proportionate share of the taxes and interest under s. 70.995 (12) (a).

3           **SECTION 19.** 74.35 (3) (c) of the statutes is amended to read:

4           74.35 (3) (c) If the governing body of the taxation district determines that an  
5 unlawful tax has been paid and that the claim for recovery of the unlawful tax has  
6 complied with all legal requirements, the governing body shall allow the claim. The  
7 Except as provided in par. (cm), the taxation district treasurer shall pay the claim  
8 not later than 90 days after the claim is allowed.

9           **SECTION 20.** 74.35 (3) (cm) of the statutes is created to read:

10          74.35 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on  
11 property that is assessed under s. 70.995 in 5 annual instalments, each of which  
12 except the last is equal to at least 20% of the sum of the refund and the interest on  
13 the refund, beginning in the year of the determination under par. (c), if all of the  
14 following conditions exist:

15           1. The municipality's property tax levy for its general operations for the year  
16 for which the taxes to be refunded are due is less than \$100,000,000.

17           2. The refund is at least 0.0025% of the municipality's levy for its general  
18 operations for the year for which the taxes to be refunded are due.

19           3. The refund is more than \$10,000.

20          **SECTION 21.** 74.37 (3) (c) of the statutes is amended to read:

21          74.37 (3) (c) If the governing body of the taxation district or county that has a  
22 county assessor system determines that a tax has been paid which was based on an  
23 excessive assessment, and that the claim for an excessive assessment has complied  
24 with all legal requirements, the governing body shall allow the claim. The Except



1 as provided in par. (cm), the taxation district or county treasurer shall pay the claim  
2 not later than 90 days after the claim is allowed.

3 **SECTION 22.** 74.37 (3) (cm) of the statutes is created to read:

4 74.37 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on  
5 property that is assessed under s. 70.995 in 5 annual instalments, each of which  
6 except the last is equal to at least 20% of the sum of the refund and the interest on  
7 the refund, beginning in the year of the determination under par. (c), if all of the  
8 following conditions exist:

9 1. The municipality's property tax levy for its general operations for the year  
10 for which the taxes to be refunded are due is less than \$100,000,000.

11 2. The refund is at least 0.0025% of the municipality's levy for its general  
12 operations for the year for which the taxes to be refunded are due.

13 3. The refund is more than \$10,000.

14 **SECTION 9344. Initial applicability.**

15 (1) REFUNDS. The treatment of sections 70.511 (2) (b) and (bm), 74.35 (3) (c) and  
16 (cm), and 74.37 (3) (c) and (cm) of the statutes first applies to refunds of taxes that  
17 were collected based on the assessments as of January 1, 2001.

18 (2) OBJECTIONS. The treatment of section 70.995 (8) (c) of the statutes first  
19 applies to objections that are filed with the state board of assessors on the first day  
20 of the 3rd month beginning after the effective date of this subsection.

21 (3) SETTLEMENT OF TAXES. The treatment of sections 74.23 (1) (a) 5., 74.25 (1)  
22 (a) 4m., and 74.30 (1) (dm) of the statutes first applies to taxes that are based on the  
23 assessment as of January 1, 2001.

24

(END)



DOA:.....Holden – Property tax assessment of manufacturing property

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

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

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*Analysis by the Legislative Reference Bureau*

**TAXATION**

**PROPERTY TAXATION**

Under current law, DOR assesses manufacturing property, and determines what property is classified as manufacturing property, for property tax purposes. If a reviewing authority for property tax assessments reduces a manufacturing property's assessed value or determines that manufacturing property is exempt from property tax, the property owner may file a claim for a property tax refund with the municipality in which the property is located. The municipality pays the refund in one sum that includes interest on the refund amount, paid at the rate of 0.8% a month.

Under current law, a property owner may file an objection to a property tax assessment of the owner's manufacturing property with the state board of assessors within 60 days of receiving notice from DOR of the property's assessment.

Under this bill, property may be classified as manufacturing property in any year only if on or before March 1 of that year either DOR has classified it as manufacturing property or the property owner has requested that classification and DOR complies with the request. Under the bill, a municipality may pay a property tax refund to an owner of manufacturing property in five annual installments rather than all at once, if the refund is more than \$10,000, the refund amount represents at least 0.0025% of the municipality's tax levy, and the municipality's tax levy is less

than \$100,000,000. The interest on the refund amount is paid either at a rate of 10% a year or at a rate determined by the last auction of six-month U.S. treasury bills, whichever is less. In addition, the state compensates the municipality for the interest on any such refund that is paid by the municipality.

Under the bill, a property owner who files an objection to a property tax assessment of the owner's manufacturing property must include in the objection the reasons for the objection, an estimate of the correct assessment, and the basis for that estimate. In addition, the property owner may file supplemental information to support the objection within 60 days from the date that the objection is filed.

Under current law, an owner of manufacturing property must submit annually by March 1 a report to DOR that contains certain information about the property that DOR considers necessary for property tax assessment purposes. However, DOR may grant an extension to April 1 for filing the report. An owner of manufacturing property who fails to submit the report by the date that it is due must pay a penalty equal to the greater of \$10 or 0.05% of the property's assessment for the previous year, but not more than \$1,000. If the property owner does not submit the report within 30 days from the date that it is due, the property owner must pay a second penalty that is equal to the first.

Under the bill, an owner of manufacturing property who fails to submit the report by the date that it is due is subject to the following penalties: if the report is one to ten days late, \$25; if the report is 11 to 30 days late, the greater of \$50 or 0.05% of the previous year's assessment, but not more than \$250; and if the report is more than 30 days late, the greater of \$100 or 0.1% of the previous year's assessment, but not more than \$750.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 20.835 (2) (bm) of the statutes is created to read:

2           20.835 (2) (bm) *Payments of interest on overassessments of manufacturing*  
3 *property.* A sum sufficient to make the payments under s. 70.511 (2) (br).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 2.** 70.511 (2) (b) of the statutes is amended to read:

5           70.511 (2) (b) If the reviewing authority reduces the value of the property in  
6 question, or determines that manufacturing property is exempt, the taxpayer may  
7 file a claim for refund of taxes resulting from the reduction in value or determination

1 that the property is exempt. If Except as provided in par. (bm), if a claim for refund  
2 is filed with the clerk of the municipality on or before the November 1 following the  
3 decision of the reviewing authority, the claim shall be payable to the taxpayer from  
4 the municipality no later than January 31 of the succeeding year. ~~A~~ Except as  
5 provided in par. (bm), a claim filed after November 1 shall be paid to the taxpayer by  
6 the municipality no later than the 2nd January 31 after the claim is filed. Interest  
7 Except for claims related to property assessed under s. 70.995, interest on the claim  
8 at the rate of 0.8% per month shall be paid to the taxpayer when the claim is paid.  
9 Interest on claims related to property assessed under s. 70.995 shall be paid when  
10 the claim is made at the average annual discount interest rate determined by the last  
11 auction of 6-month U.S. treasury bills before an appeal or objection is filed under s.  
12 70.995 (8) or 10% per year, whichever is less. If the taxpayer requests a  
13 postponement of proceedings before the reviewing authority, interest on the claim  
14 shall permanently stop accruing at the date of the request. If the hearing is  
15 postponed at the request of the taxpayer, the reviewing authority shall hold a  
16 hearing on the appeal within 30 days after the postponement is requested unless the  
17 taxpayer agrees to a longer delay. If the reviewing authority postpones the hearing  
18 without a request by the taxpayer, interest on the claim shall continue to accrue. No  
19 interest may be paid if the reviewing authority determines under s. 70.995 (8) (a) that  
20 the value of the property was reduced because the taxpayer supplied false or  
21 incomplete information. If taxes are refunded, the municipality may proceed under  
22 s. 74.41.

23 **SECTION 3.** 70.511 (2) (bm) of the statutes is created to read:

24 70.511 (2) (bm) A municipality may pay a refund under par. (b) of the taxes on  
25 property that is assessed under s. 70.995 in 5 annual installments, each of which

1 except the last is equal to at least 20% of the sum of the refund and the interest on  
2 the refund that is due, beginning on the date under par. (b), if all of the following  
3 conditions exist:

4 1. The municipality's property tax levy for its general operations for the year  
5 for which the taxes to be refunded are due is less than \$100,000,000.

6 2. The refund is at least 0.0025% of the municipality's levy for its general  
7 operations for the year for which the taxes to be refunded are due.

8 3. The refund is more than \$10,000.

9 **SECTION 4.** 70.511 (2) (br) of the statutes is created to read:

10 70.511 (2) (br) From the appropriation under s. 20.835 (2) (bm), the department  
11 of administration shall pay to each municipality that pays a refund under par. (b) for  
12 property that is assessed under s. 70.995 or that pays a refund under par. (bm) an  
13 amount equal to the interest that is paid by the municipality in the previous  
14 biennium and that has accrued up to the date of the determination by the tax appeals  
15 commission of the municipality's obligation.

16 **SECTION 5.** 70.995 (5) of the statutes is amended to read:

17 70.995 (5) ~~Commencing January 1, 1974, and annually thereafter, the~~ The  
18 department of revenue shall assess all property of manufacturing establishments  
19 included under subs. (1) and (2) as of the close of January 1 of each year, if on or before  
20 March 1 of that year the department has classified the property as manufacturing  
21 or the owner of the property has requested, in writing, that the department make  
22 such a classification and the department later does so. A change in ownership,  
23 location, or name of the manufacturing establishment does not necessitate a new  
24 request. In assessing lands from which metalliferous minerals are being extracted

1 and valued for purposes of the tax under s. 70.375, the value of the metalliferous  
2 mineral content of such lands shall be excluded.

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4 70.995 (6) Prior to February 15 of each year the department of revenue shall  
5 notify each municipal assessor of the manufacturing property within the taxation  
6 district that, as of that date, will be assessed by the department during the current  
7 assessment year.

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9 amended to read:

10 70.995 (8) (b) 1. The department of revenue shall annually notify each  
11 manufacturer assessed under this section and the municipality in which the  
12 manufacturing property is located of the full value of all real and personal property  
13 owned by the manufacturer. The notice shall be in writing and shall be sent by 1st  
14 class mail. In addition, the notice shall specify that objections to valuation, amount,  
15 or taxability must be filed with the state board of assessors within 60 days of issuance  
16 of the notice of assessment, that objections to a change from assessment under this  
17 section to assessment under s. 70.32 (1) must be filed within 60 days after receipt of  
18 the notice, that the fee under par. (c) 1. or (d) must be paid and that the objection is  
19 not filed until the fee is paid. A statement shall be attached to the assessment roll  
20 indicating that the notices required by this section have been mailed and failure to  
21 receive the notice does not affect the validity of the assessments, the resulting tax  
22 on real or personal property, the procedures of the tax appeals commission or of the  
23 state board of assessors, or the enforcement of delinquent taxes by statutory means.

24 **SECTION 8.** 70.995 (8) (b) 2. of the statutes is created to read:

1           70.995 (8) (b) 2. If a municipality files an objection to the amount, valuation,  
2           taxability, or change from assessment under this section and the person assessed  
3           does not file an objection, the person assessed may file an appeal within 15 days after  
4           the municipality's objection is filed.

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7           70.995 (8) (c) 1. All objections to the amount, valuation, taxability, or change  
8           from assessment under this section to assessment under s. 70.32 (1) of property shall  
9           be first made in writing on a form prescribed by the department of revenue and that  
10          specifies that the objector shall set forth the reasons for the objection, the objector's  
11          estimate of the correct assessment, and the basis under s. 70.32 (1) for the objector's  
12          estimate of the correct assessment. An objection shall be filed with the state board  
13          of assessors within the time prescribed in par. (b) 1. A \$45 fee shall be paid when the  
14          objection is filed unless a fee has been paid in respect to the same piece of property  
15          and that appeal has not been finally adjudicated. The objection is not filed until the  
16          fee is paid. Neither the state board of assessors nor the tax appeals commission may  
17          waive the requirement that objections be in writing. Persons who own land and  
18          improvements to that land may object to the aggregate value of that land and  
19          improvements to that land, but no person who owns land and improvements to that  
20          land may object only to the valuation of that land or only to the valuation of  
21          improvements to that land.

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2 information filed by the manufacturer under this subdivision, if the municipality has  
3 filed an appeal related to the objection.

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1 contain all information considered necessary by the department and shall include,  
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9 ~~understated for the year of omission or understatement.~~ The assessor shall affix a  
10 just valuation to each entry for a former year as it should have been assessed  
11 according to the assessor's best judgment. Taxes shall be apportioned and collected  
12 on the tax roll for each entry, on the basis of the net tax rate for the year of the  
13 omission, taking into account credits under s. 79.10, ~~and.~~ In the case of omitted  
14 property, interest shall be added at the rate of 0.0267% per day for the period of time  
15 between the date when the form is required to be submitted and the date when the  
16 assessor affixes the just valuation. In the case of underpayments determined after  
17 an objection under s. 70.995 (8) (d), interest shall be added at the average annual  
18 discount interest rate determined by the last auction of 6-month U.S. treasury bills  
19 before the objection per day for the period of time between the date when the tax was  
20 due and the date when it is paid.

21 **SECTION 14.** 70.995 (12) (b) of the statutes is amended to read:

22 70.995 (12) (b) The department of revenue shall allow an extension to April 1  
23 of the due date for filing the report forms required under par. (a) if a written  
24 application for an extension, stating the reason for the request, is filed with the  
25 department on or before March 1.

1           **SECTION 15.** 70.995 (12) (c) of the statutes is amended to read:

2           70.995 (12) (c) Unless the taxpayer shows that the failure is due to reasonable  
3 cause, if a taxpayer fails to file any form required under par. (a) for property that the  
4 department of revenue assessed during the previous year by the due date or by any  
5 extension of the due date that has been granted, the taxpayer shall pay to the  
6 department of revenue a penalty of the greater of \$10 or 0.05% of the previous year's  
7 full value assessment not to exceed \$1,000. ~~If the form required under par. (a) for~~  
8 ~~property that the department of revenue assessed during the previous year is not~~  
9 ~~filed within 30 days after the due date or within 30 days after any extension, the~~  
10 ~~taxpayer shall pay to the department of revenue a 2nd penalty of the greater of \$10~~  
11 ~~or 0.05% of the previous year's full value assessment not to exceed \$1,000~~ \$25 if the  
12 form is filed 1 to 10 days late; \$50 or 0.05% of the previous year's assessment,  
13 whichever is greater, but not more than \$250, if the form is filed 11 to 30 days late;  
14 and \$100 or 0.1% of the previous year's assessment, whichever is greater, but not  
15 more than \$750, if the form is filed more than 30 days late. Penalties are due 30 days  
16 after they are assessed and are delinquent if not paid on or before that date. The  
17 department may refund all or part of any penalty it assesses under this paragraph  
18 if it finds reasonable grounds for late filing.

19           **SECTION 16.** 74.23 (1) (a) 5. of the statutes is created to read:

20           74.23 (1) (a) 5. Pay to each taxing jurisdiction within the district its  
21 proportionate share of the taxes and interest under s. 70.995 (12) (a).

22           **SECTION 17.** 74.25 (1) (a) 4m. of the statutes is created to read:

23           74.25 (1) (a) 4m. Pay to each taxing jurisdiction within the district its  
24 proportionate share of the taxes and interest under s. 70.995 (12) (a).

25           **SECTION 18.** 74.30 (1) (dm) of the statutes is created to read:

1           74.30 (1) (dm) Pay to each taxing jurisdiction within the district its  
2 proportionate share of the taxes and interest under s. 70.995 (12) (a).

3           **SECTION 19.** 74.35 (3) (c) of the statutes is amended to read:

4           74.35 (3) (c) If the governing body of the taxation district determines that an  
5 unlawful tax has been paid and that the claim for recovery of the unlawful tax has  
6 complied with all legal requirements, the governing body shall allow the claim. The  
7 Except as provided in par. (cm), the taxation district treasurer shall pay the claim  
8 not later than 90 days after the claim is allowed.

9           **SECTION 20.** 74.35 (3) (cm) of the statutes is created to read:

10           74.35 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on  
11 property that is assessed under s. 70.995 in 5 annual installments, each of which  
12 except the last is equal to at least 20% of the sum of the refund and the interest on  
13 the refund, beginning in the year of the determination under par. (c), if all of the  
14 following conditions exist:

15           1. The municipality's property tax levy for its general operations for the year  
16 for which the taxes to be refunded are due is less than \$100,000,000.

17           2. The refund is at least 0.0025% of the municipality's levy for its general  
18 operations for the year for which the taxes to be refunded are due.

19           3. The refund is more than \$10,000.

20           **SECTION 21.** 74.37 (3) (c) of the statutes is amended to read:

21           74.37 (3) (c) If the governing body of the taxation district or county that has a  
22 county assessor system determines that a tax has been paid which was based on an  
23 excessive assessment, and that the claim for an excessive assessment has complied  
24 with all legal requirements, the governing body shall allow the claim. The Except

1 as provided in par. (cm), the taxation district or county treasurer shall pay the claim  
2 not later than 90 days after the claim is allowed.

3 **SECTION 22.** 74.37 (3) (cm) of the statutes is created to read:

4 74.37 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on  
5 property that is assessed under s. 70.995 in 5 annual installments, each of which  
6 except the last is equal to at least 20% of the sum of the refund and the interest on  
7 the refund, beginning in the year of the determination under par. (c), if all of the  
8 following conditions exist:

9 1. The municipality's property tax levy for its general operations for the year  
10 for which the taxes to be refunded are due is less than \$100,000,000.

11 2. The refund is at least 0.0025% of the municipality's levy for its general  
12 operations for the year for which the taxes to be refunded are due.

13 3. The refund is more than \$10,000.

14 **SECTION 9344. Initial applicability; revenue.**

15 (1) REFUNDS. The treatment of sections 70.511 (2) (b) and (bm), 74.35 (3) (c) and  
16 (cm), and 74.37 (3) (c) and (cm) of the statutes first applies to refunds of taxes that  
17 were collected based on the assessments as of January 1, 2001.

18 (2) OBJECTIONS. The treatment of section 70.995 (8) (c) of the statutes first  
19 applies to objections that are filed with the state board of assessors on the first day  
20 of the 3rd month beginning after the effective date of this subsection.

21 (3) SETTLEMENT OF TAXES. The treatment of sections 74.23 (1) (a) 5., 74.25 (1)  
22 (a) 4m., and 74.30 (1) (dm) of the statutes first applies to taxes that are based on the  
23 assessment as of January 1, 2001.

24

(END)