

SENATE BILL 55

1 71.25 (15) PARTNERSHIPS AND LIMITED LIABILITY COMPANIES. (a) A general or
2 limited partner's share of the numerator and denominator of a partnership's
3 apportionment factors under this section are included in the numerator and
4 denominator of the general or limited partner's apportionment factors under this
5 section.

6 (b) If a limited liability company is treated as a partnership, for federal tax
7 purposes, a member's share of the numerator and denominator of a limited liability
8 company's apportionment factors under this section are included in the numerator
9 and denominator of the member's apportionment factors under this section.

10 *~~1335/7.54~~* SECTION 2174. 71.26 (1) (be) of the statutes is amended to read:

11 71.26 (1) (be) *Certain authorities.* Income of the University of Wisconsin
12 Hospitals and Clinics Authority and of the Fox River Navigational System Authority.

13 *~~0667/5.5~~* SECTION 2175. 71.26 (2) (a) of the statutes is amended to read:

14 71.26 (2) (a) *Corporations in general.* The "net income" of a corporation means
15 the gross income as computed under the ~~internal revenue code~~ Internal Revenue
16 Code as modified under sub. (3) minus the amount of recapture under s. 71.28 (1di)
17 plus the amount of credit computed under s. 71.28 (1) ~~and, (3) to, (4), and (5)~~ plus the
18 amount of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm),
19 (1ds) ~~and, and (3g) (1dx)~~ and not passed through by a partnership, limited liability
20 company, or tax-option corporation that has added that amount to the partnership's,
21 limited liability company's, or tax-option corporation's income under s. 71.21 (4) or
22 71.34 (1) (g) plus the amount of losses from the sale or other disposition of assets the
23 gain from which would be wholly exempt income, as defined in sub. (3) (L), if the
24 assets were sold or otherwise disposed of at a gain and minus deductions, as
25 computed under the ~~internal revenue code~~ Internal Revenue Code as modified under

SENATE BILL 55**SECTION 2175**

1 sub. (3), plus or minus, as appropriate, an amount equal to the difference between
2 the federal basis and Wisconsin basis of any asset sold, exchanged, abandoned, or
3 otherwise disposed of in a taxable transaction during the taxable year, except as
4 provided in par. (b) and s. 71.45 (2) and (5).

****NOTE: This is reconciled s. 71.26 (2) (a). This SECTION has been affected by drafts
with the following LRB numbers: – 0667 and – 1856.

5 *–0667/5.6* SECTION 2176. 71.26 (3) (n) of the statutes is amended to read:

6 71.26 (3) (n) Sections 381, 382 and 383 (relating to carry–overs in certain
7 corporate acquisitions) are modified so that they apply to losses under sub. (4) and
8 credits under s. 71.28 (1di), (1dL), (1dm), (1dx) and, (3) to, (1), and (5) instead of to
9 federal credits and federal net operating losses.

****NOTE: This is reconciled s. 71.26 (3) (n). This SECTION has been affected by
drafts with the following LRB numbers: – 0667 and – 1856.

10 *–0667/5.7* SECTION 2177. 71.28 (1dm) of the statutes is created to read:

11 71.28 (1dm) DEVELOPMENT ZONE CAPITAL INVESTMENT CREDIT. (a) In this
12 subsection:

13 1. “Certified” means entitled under s. 560.795 (3) (a) 4. to claim tax benefits or
14 certified under s. 560.795 (5).

15 2. “Claimant” means a person who files a claim under this subsection.

16 3. “Development zone” means a development opportunity zone under s. 560.795
17 (1) (e).

18 4. “Previously owned property” means real property that the claimant or a
19 related person owned during the 2 years prior to the department of commerce
20 designating the place where the property is located as a development zone and for
21 which the claimant may not deduct a loss from the sale of the property to, or an
22 exchange of the property with, the related person under section 267 of the Internal

SENATE BILL 55

1 Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified
2 so that if the claimant owns any part of the property, rather than 50% ownership, the
3 claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes
4 of this subsection.

5 (b) Subject to the limitations provided in this subsection and in s. 73.03 (35),
6 for any taxable year for which the claimant is certified, a claimant may claim as a
7 credit against the taxes imposed under s. 71.23 an amount that is equal to 3% of the
8 following:

9 1. The purchase price of depreciable, tangible personal property.

10 2. The amount expended to acquire, construct, rehabilitate, remodel, or repair
11 real property in a development zone.

12 (c) A claimant may claim the credit under par. (b) 1., if the tangible personal
13 property is purchased after the claimant is certified and the personal property is
14 used for at least 50% of its use in the claimant's business at a location in a
15 development zone or, if the property is mobile, the property's base of operations for
16 at least 50% of its use is at a location in a development zone.

17 (d) A claimant may claim the credit under par. (b) 2. for an amount expended
18 to construct, rehabilitate, remodel, or repair real property, if the claimant began the
19 physical work of construction, rehabilitation, remodeling, or repair, or any
20 demolition or destruction in preparation for the physical work, after the place where
21 the property is located was designated a development zone, or if the completed
22 project is placed in service after the claimant is certified. In this paragraph, "physical
23 work" does not include preliminary activities such as planning, designing, securing
24 financing, researching, developing specifications, or stabilizing the property to
25 prevent deterioration.

SENATE BILL 55**SECTION 2177**

1 (e) A claimant may claim the credit under par. (b) 2. for an amount expended
2 to acquire real property, if the property is not previously owned property and if the
3 claimant acquires the property after the place where the property is located was
4 designated a development zone, or if the completed project is placed in service after
5 the claimant is certified.

6 (f) No credit may be allowed under this subsection unless the claimant includes
7 with the claimant's return:

8 1. A copy of a verification from the department of commerce that the claimant
9 may claim tax benefits under s. 560.795 (3) (a) 4. or is certified under s. 560.795 (5).

10 2. A statement from the department of commerce verifying the purchase price
11 of the investment and verifying that the investment fulfills the requirements under
12 par. (b).

13 (g) In calculating the credit under par. (b) a claimant shall reduce the amount
14 expended to acquire property by a percentage equal to the percentage of the area of
15 the real property not used for the purposes for which the claimant is certified and
16 shall reduce the amount expended for other purposes by the amount expended on the
17 part of the property not used for the purposes for which the claimant is certified.

18 (h) The carry-over provisions of sub. (4) (e) and (f) as they relate to the credit
19 under sub. (4) relate to the credit under this subsection.

20 (i) Partnerships, limited liability companies, and tax-option corporations may
21 not claim the credit under this subsection, but the eligibility for, and the amount of,
22 that credit shall be determined on the basis of their economic activity, not that of their
23 shareholders, partners, or members. The corporation, partnership, or limited
24 liability company shall compute the amount of credit that may be claimed by each
25 of its shareholders, partners, or members and provide that information to its

SENATE BILL 55

1 shareholders, partners, or members. Partners, members of limited liability
2 companies, and shareholders of tax-option corporations may claim the credit based
3 on the partnership's, company's, or corporation's activities in proportion to their
4 ownership interest and may offset it against the tax attributable to their income from
5 the partnership's, company's, or corporation's business operations in the
6 development zone and against the tax attributable to their income from the
7 partnership's, company's, or corporation's directly related business operations.

8 (j) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
9 becomes ineligible for such tax benefits, or if a person's certification under s. 560.795
10 (5) is revoked, that person may claim no credits under this subsection for the taxable
11 year that includes the day on which the person becomes ineligible for tax benefits,
12 the taxable year that includes the day on which the certification is revoked, or
13 succeeding taxable years, and that person may carry over no unused credits from
14 previous years to offset tax under this chapter for the taxable year that includes the
15 day on which the person becomes ineligible for tax benefits, the taxable year that
16 includes the day on which the certification is revoked, or succeeding taxable years.

17 (k) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
18 or certified under s. 560.795 (5) ceases business operations in the development zone
19 during any of the taxable years that that zone exists, that person may not carry over
20 to any taxable year following the year during which operations cease any unused
21 credits from the taxable year during which operations cease or from previous taxable
22 years.

23 (L) Subsection (4) (g) and (h) as it applies to the credit under sub. (4) applies
24 to the credit under this subsection.

25 ***-0669/1.2* SECTION 2178.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

SENATE BILL 55**SECTION 2178**

1 71.28 (1dx) (a) 5. “Member of a targeted group” means ~~a person under sub. (2dj)~~
2 ~~(am) 1.~~, a person who resides in an empowerment zone, or an enterprise community,
3 that the U.S. government designates, a person who is employed in an unsubsidized
4 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin
5 works employment position, a person who is employed in a trial job, as defined in s.
6 49.141 (1) (n), ~~or~~ a person who is eligible for child care assistance under s. 49.155, a
7 person who is a vocational rehabilitation referral, an economically disadvantaged
8 youth, an economically disadvantaged veteran, a supplemental security income
9 recipient, a general assistance recipient, an economically disadvantaged ex-convict,
10 a qualified summer youth employee, as defined in 26 USC 51 (d) (7), or a food stamp
11 recipient; if the person has been certified in the manner under sub. (1dj) (am) 3. by
12 a designated local agency, as defined in sub. (1dj) (am) 2.

13 ***-1856/6.3*** SECTION 2179. 71.28 (3g) of the statutes is created to read:

14 71.28 (3g) TECHNOLOGY ZONES CREDIT. (a) Subject to the limitations under this
15 subsection and ss. 73.03 (35m) and 560.96, a business that is certified under s. 560.96
16 (3) may claim as a credit against the taxes imposed under s. 71.23 an amount equal
17 to the sum of the following, as established under s. 560.96 (3) (c):

18 1. The amount of real and personal property taxes imposed under s. 70.01 that
19 the business paid in the taxable year.

20 2. The amount of income and franchise taxes imposed under s. 71.23 that the
21 business paid in the taxable year.

22 3. The amount of sales and use taxes imposed under ss. 77.52, 77.53, and 77.71
23 that the business paid in the taxable year.

24 (b) The department of revenue shall notify the department of commerce of all
25 claims under this subsection.

SENATE BILL 55**SECTION 2179**

1 (c) Subsection (4) (f), (g), and (h), as it applies to the credit under sub. (4), applies
2 to the credit under par. (a).

3 ***-0667/5.8* SECTION 2180.** 71.30 (3) (emb) of the statutes is created to read:
4 71.30 (3) (emb) Development zone capital investment credit under s. 71.28
5 (1dm).

6 ***-1856/6.4* SECTION 2181.** 71.30 (3) (eon) of the statutes is created to read:
7 71.30 (3) (eon) Technology zones credit under s. 71.28 (3g).

8 ***-0667/5.9* SECTION 2182.** 71.34 (1) (g) of the statutes is amended to read:
9 71.34 (1) (g) An addition shall be made for credits computed by a tax-option
10 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx) ~~and~~, (3),
11 and (3g) and passed through to shareholders.

****NOTE: This is reconciled s. 71.34 (1) (g). This SECTION has been affected by drafts
with the following LRB numbers: – 0667 and – 1856.

12 ***-0538/2.3* SECTION 2183.** 71.42 (3d) of the statutes is created to read:
13 71.42 (3d) “Member” does not include a member of a limited liability company
14 treated as a corporation under s. 71.22 (1).

15 ***-0538/2.4* SECTION 2184.** 71.42 (3h) of the statutes is created to read:
16 71.42 (3h) “Partner” does not include a partner of a publicly traded partnership
17 treated as a corporation under s. 71.22 (1).

18 ***-1059/6.25* SECTION 2185.** 71.45 (3) (intro.) of the statutes is amended to
19 read:

20 71.45 (3) APPORTIONMENT (intro.) ~~With respect~~ Except as provided in sub. (3d),
21 to determine Wisconsin income for purposes of the franchise tax, domestic insurers
22 ~~not engaged in the sale of life insurance but which~~ that, in the taxable year, have
23 ~~collected received premiums, other than life insurance premiums~~, written on

SENATE BILL 55**SECTION 2185**

1 ~~subjects of for insurance on property or risks resident, located or to be performed~~
2 ~~outside this state, there shall be subtracted from multiply the net income figure~~
3 ~~derived by application of sub. (2) (a) to arrive at Wisconsin income constituting the~~
4 ~~measure of the franchise tax an amount calculated by multiplying such adjusted~~
5 ~~federal taxable income by the arithmetic average of the following 2 percentages:~~

6 ***-1059/6.26* SECTION 2186.** 71.45 (3) (a) of the statutes is amended to read:

7 71.45 (3) (a) The Subject to sub. (3d), the percentage of total determined by
8 dividing the sum of direct premiums written on all property and risks for insurance
9 other than life insurance, with respects to all property and risks resident, located,
10 or to be performed in this state, and assumed premiums written for reinsurance,
11 other than life insurance, with respect to all property and risks resident, located, or
12 to be performed in this state, by the sum of direct premiums written for insurance
13 on all property and risks, other than life insurance, wherever located during the
14 taxable year, as reflects, and assumed premiums written on insurance for
15 reinsurance on all property and risks, other than life insurance, where the subject
16 of insurance was resident, located or to be performed outside this state wherever
17 located. In this paragraph, “direct premiums” means direct premiums as reported
18 for the taxable year on an annual statement that is filed by the insurer with the
19 commissioner of insurance under s. 601.42 (1g) (a). In this paragraph, “assumed
20 premiums” means assumed reinsurance premiums from domestic insurance
21 companies as reported for the taxable year on an annual statement that is filed with
22 the commissioner of insurance under s. 601.42 (1g) (a).

23 ***-1059/6.27* SECTION 2187.** 71.45 (3) (b) of the statutes is renumbered 71.45

24 (3) (b) 1. and amended to read:

SENATE BILL 55**SECTION 2187**

1 71.45 (3) (b) 1. ~~The Subject to sub. (3d), the percentage of determined by~~
2 ~~dividing the payroll, exclusive of life insurance payroll, paid in this state in the~~
3 ~~taxable year by total payroll, exclusive of life insurance payroll, paid everywhere in~~
4 ~~the taxable year as reflects such compensation paid outside this state.~~
5 Compensation.

6 2. ~~Under subd. 1., payroll is paid outside~~ in this state if the individual's service
7 is performed entirely ~~outside~~ in this state; or the individual's service is performed
8 both ~~within and without~~ in and outside this state, but the service performed ~~within~~
9 ~~outside this state~~ is incidental to the individual's service ~~without~~ in this state; or
10 some service is performed ~~without~~ in this state and the base of operations, or if there
11 is no base of operations, the place from which the service is directed or controlled is
12 ~~without~~ in this state, or the base of operations or the place from which the service is
13 directed or controlled is not in any state in which some part of the service is
14 performed, but the individual's residence is ~~outside~~ in this state.

15 *–1059/6.28* **SECTION 2188.** 71.45 (3d) of the statutes is created to read:

16 71.45 (3d) PHASE IN; DOMESTIC INSURERS. (a) For taxable years beginning after
17 December 31, 2002, and before January 1, 2004, a domestic insurer that is subject
18 to apportionment under sub. (3) and this subsection shall multiply the net income
19 figure derived by the application of sub. (2) by an apportionment fraction composed
20 of the percentage under sub. (3) (a) representing 60% of the fraction and the
21 percentage under sub. (3) (b) 1. representing 40% of the fraction.

22 (b) For taxable years beginning after December 31, 2003, and before January
23 1, 2005, a domestic insurer that is subject to apportionment under sub. (3) and this
24 subsection shall multiply the net income figure derived by the application of sub. (2)
25 by an apportionment fraction composed of the percentage under sub. (3) (a)

SENATE BILL 55**SECTION 2188**

1 representing 80% of the fraction and the percentage under sub. (3) (b) 1. representing
2 20% of the fraction.

3 (c) For taxable years beginning after December 31, 2004, a domestic insurer
4 that is subject to apportionment under sub. (3) and this subsection shall multiply the
5 net income figure derived by the application of sub. (2) by the percentage under sub.
6 (3) (a).

7 ***-1059/6.29* SECTION 2189.** 71.45 (3m) of the statutes is amended to read:

8 71.45 (3m) ARITHMETIC AVERAGE. The Except as provided in sub. (3d), the
9 arithmetic average of the 2 percentages referred to in sub. (3) shall be applied to the
10 net income figure arrived at by the successive application of sub. (2) (a) and (b) with
11 respect to Wisconsin insurers to which sub. (2) (a) and (b) applies and which have
12 collected received premiums, other than life insurance premiums, written upon for
13 insurance, other than life insurance, where the subject of such insurance was on
14 property or risks resident, located or to be performed outside this state, to arrive at
15 Wisconsin income constituting the measure of the franchise tax.

16 ***-1493/1.3* SECTION 2190.** 71.45 (6) of the statutes is created to read:

17 71.45 (6) PARTNERSHIPS AND LIMITED LIABILITY COMPANIES. (a) A general or
18 limited partner's share of the numerator and denominator of a partnership's
19 apportionment factors under this section are included in the numerator and
20 denominator of the general or limited partner's apportionment factors under this
21 section.

22 (b) If a limited liability company is treated as a partnership, for federal tax
23 purposes, a member's share of the numerator and denominator of a limited liability
24 company's apportionment factors under this section are included in the numerator
25 and denominator of the member's apportionment factors under this section.

SENATE BILL 55**SECTION 2191**

1 ***-0667/5.10*** **SECTION 2191.** 71.47 (1dm) of the statutes is created to read:

2 **71.47 (1dm)** DEVELOPMENT ZONE CAPITAL INVESTMENT CREDIT. (a) In this
3 subsection:

4 1. “Certified” means entitled under s. 560.795 (3) (a) 4. to claim tax benefits or
5 certified under s. 560.795 (5).

6 2. “Claimant” means a person who files a claim under this subsection.

7 3. “Development zone” means a development opportunity zone under s. 560.795
8 (1) (e).

9 4. “Previously owned property” means real property that the claimant or a
10 related person owned during the 2 years prior to the department of commerce
11 designating the place where the property is located as a development zone and for
12 which the claimant may not deduct a loss from the sale of the property to, or an
13 exchange of the property with, the related person under section 267 of the Internal
14 Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified
15 so that if the claimant owns any part of the property, rather than 50% ownership, the
16 claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes
17 of this subsection.

18 (b) Subject to the limitations provided in this subsection and in s. 73.03 (35),
19 for any taxable year for which the claimant is certified, a claimant may claim as a
20 credit against the taxes imposed under s. 71.43 an amount that is equal to 3% of the
21 following:

22 1. The purchase price of depreciable, tangible personal property.

23 2. The amount expended to acquire, construct, rehabilitate, remodel, or repair
24 real property in a development zone.

SENATE BILL 55**SECTION 2191**

1 (c) A claimant may claim the credit under par. (b) 1., if the tangible personal
2 property is purchased after the claimant is certified and the personal property is
3 used for at least 50% of its use in the claimant's business at a location in a
4 development zone or, if the property is mobile, the property's base of operations for
5 at least 50% of its use is at a location in a development zone.

6 (d) A claimant may claim the credit under par. (b) 2. for an amount expended
7 to construct, rehabilitate, remodel, or repair real property, if the claimant began the
8 physical work of construction, rehabilitation, remodeling, or repair, or any
9 demolition or destruction in preparation for the physical work, after the place where
10 the property is located was designated a development zone, or if the completed
11 project is placed in service after the claimant is certified. In this paragraph, "physical
12 work" does not include preliminary activities such as planning, designing, securing
13 financing, researching, developing specifications, or stabilizing the property to
14 prevent deterioration.

15 (e) A claimant may claim the credit under par. (b) 2. for an amount expended
16 to acquire real property, if the property is not previously owned property and if the
17 claimant acquires the property after the place where the property is located was
18 designated a development zone, or if the completed project is placed in service after
19 the claimant is certified.

20 (f) No credit may be allowed under this subsection unless the claimant includes
21 with the claimant's return:

22 1. A copy of a verification from the department of commerce that the claimant
23 may claim tax benefits under s. 560.795 (3) (a) 4. or is certified under s. 560.795 (5).

SENATE BILL 55

1 2. A statement from the department of commerce verifying the purchase price
2 of the investment and verifying that the investment fulfills the requirements under
3 par. (b).

4 (g) In calculating the credit under par. (b) a claimant shall reduce the amount
5 expended to acquire property by a percentage equal to the percentage of the area of
6 the real property not used for the purposes for which the claimant is certified and
7 shall reduce the amount expended for other purposes by the amount expended on the
8 part of the property not used for the purposes for which the claimant is certified.

9 (h) The carry-over provisions of s. 71.28 (4) (e) and (f) as they relate to the credit
10 under s. 71.28 (4) relate to the credit under this subsection.

11 (i) Partnerships, limited liability companies, and tax-option corporations may
12 not claim the credit under this subsection, but the eligibility for, and the amount of,
13 that credit shall be determined on the basis of their economic activity, not that of their
14 shareholders, partners, or members. The corporation, partnership, or limited
15 liability company shall compute the amount of credit that may be claimed by each
16 of its shareholders, partners, or members and provide that information to its
17 shareholders, partners, or members. Partners, members of limited liability
18 companies, and shareholders of tax-option corporations may claim the credit based
19 on the partnership's, company's, or corporation's activities in proportion to their
20 ownership interest and may offset it against the tax attributable to their income from
21 the partnership's, company's, or corporation's business operations in the
22 development zone and against the tax attributable to their income from the
23 partnership's, company's, or corporation's directly related business operations.

24 (j) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
25 becomes ineligible for such tax benefits, or if a person's certification under s. 560.795

SENATE BILL 55**SECTION 2191**

1 (5) is revoked, that person may claim no credits under this subsection for the taxable
2 year that includes the day on which the person becomes ineligible for tax benefits,
3 the taxable year that includes the day on which the certification is revoked, or
4 succeeding taxable years, and that person may carry over no unused credits from
5 previous years to offset tax under this chapter for the taxable year that includes the
6 day on which the person becomes ineligible for tax benefits, the taxable year that
7 includes the day on which the certification is revoked, or succeeding taxable years.

8 (k) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
9 or certified under s. 560.795 (5) ceases business operations in the development zone
10 during any of the taxable years that that zone exists, that person may not carry over
11 to any taxable year following the year during which operations cease any unused
12 credits from the taxable year during which operations cease or from previous taxable
13 years.

14 (L) Section 71.28 (4) (g) and (h) as it applies to the credit under s. 71.28 (4)
15 applies to the credit under this subsection.

16 ***-0669/1.3* SECTION 2192.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

17 71.47 (1dx) (a) 5. “Member of a targeted group” means ~~a person under sub. (2dj)~~
18 ~~(am) 1.~~, a person who resides in an empowerment zone, or an enterprise community,
19 that the U.S. government designates, a person who is employed in an unsubsidized
20 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin
21 works employment position, a person who is employed in a trial job, as defined in s.
22 49.141 (1) (n), ~~or~~ a person who is eligible for child care assistance under s. 49.155, a
23 person who is a vocational rehabilitation referral, an economically disadvantaged
24 youth, an economically disadvantaged veteran, a supplemental security income
25 recipient, a general assistance recipient, an economically disadvantaged ex-convict,

SENATE BILL 55

1 a qualified summer youth employee, as defined in 26 USC 51 (d) (7), or a food stamp
2 recipient; if the person has been certified in the manner under sub. (1dj) (am) 3. by
3 a designated local agency, as defined in sub. (1dj) (am) 2.

4 ***-1856/6.5* SECTION 2193.** 71.47 (3g) of the statutes is created to read:

5 71.47 (3g) TECHNOLOGY ZONES CREDIT. (a) Subject to the limitations under this
6 subsection and ss. 73.03 (35m), and 560.96, a business that is certified under s.
7 560.96 (3) may claim as a credit against the taxes imposed under s. 71.43 an amount
8 equal to the sum of the following, as established under s. 560.96 (3) (c):

9 1. The amount of real and personal property taxes imposed under s. 70.01 that
10 the business paid in the taxable year.

11 2. The amount of income and franchise taxes imposed under s. 71.43 that the
12 business paid in the taxable year.

13 3. The amount of sales and use taxes imposed under ss. 77.52, 77.53, and 77.71
14 that the business paid in the taxable year.

15 (b) The department of revenue shall notify the department of commerce of all
16 claims under this subsection.

17 (c) Section 71.28 (4) (f), (g), and (h), as it applies to the credit under s. 71.28 (4),
18 applies to the credit under par. (a).

19 ***-0667/5.11* SECTION 2194.** 71.49 (1) (emb) of the statutes is created to read:

20 71.49 (1) (emb) Development zone capital investment credit under s. 71.47
21 (1dm).

22 ***-1856/6.6* SECTION 2195.** 71.49 (1) (eon) of the statutes is created to read:

23 71.49 (1) (eon) Technology zones credit under s. 71.47 (3g).

24 ***-1753/2.1* SECTION 2196.** 71.60 (1) (b) of the statutes is amended to read:

SENATE BILL 55**SECTION 2196**

1 71.60 (1) (b) The credit allowed under this subchapter shall be limited to 90%
2 of the first \$2,000 of excessive property taxes plus 70% of the 2nd \$2,000 of excessive
3 property taxes plus 50% of the 3rd \$2,000 of excessive property taxes. The maximum
4 credit shall not exceed \$4,200 for any claimant. The credit for any claimant shall be
5 the greater of either the credit as calculated under this subchapter as it exists at the
6 end of the year for which the claim is filed or as it existed on the date on which the
7 farmland became subject to a current agreement under subch. II ~~or~~ III of ch. 91 or
8 under subch. III of ch. 91, 1999 stats., using for such calculations household income
9 and property taxes accrued of the year for which the claim is filed.

10 ***-1753/2.2*** **SECTION 2197.** 71.60 (1) (c) 3. of the statutes is amended to read:

11 71.60 (1) (c) 3. If the claimant or any member of the claimant's household owns
12 farmland which is ineligible for credit under subd. 1. or 2. but was subject to a
13 farmland preservation agreement under subch. III of ch. 91, 1999 stats., on July 1
14 of the year for which credit is claimed, or the owner had applied for such an
15 agreement before July 1 of such year, and the agreement has subsequently been
16 executed, and if the owner has applied by the end of the year in which conversion
17 under s. 91.41, 1999 stats., is first possible for conversion of the agreement to a
18 transition area agreement under subch. II of ch. 91, and the transition area
19 agreement has subsequently been executed, and the farmland is located in a city or
20 village which has a certified exclusive agricultural use zoning ordinance under
21 subch. V of ch. 91 in effect at the close of the year for which credit is claimed, or in
22 a town which is subject to a certified county exclusive agricultural use zoning
23 ordinance under subch. V of ch. 91 in effect at the close of the year for which credit
24 is claimed, the amount of the claim shall be that specified in par. (b).

25 ***-1753/2.3*** **SECTION 2198.** 71.60 (1) (c) 5. of the statutes is amended to read:

SENATE BILL 55**SECTION 2198**

1 71.60 (1) (c) 5. If the claimant or any member of the claimant's household owns
2 farmland which is ineligible for credit under subds. 1. to 4. but was subject to a
3 farmland preservation agreement under subch. III of ch. 91, 1999 stats., on July 1
4 of the year for which credit is claimed, or the owner had applied for such an
5 agreement before July 1 of such year, and the agreement has subsequently been
6 executed, and if the owner has applied by the end of the year in which conversion
7 under s. 91.41, 1999 stats., is first possible for conversion of the agreement to an
8 agreement under subch. II of ch. 91, and the agreement under subch. II of ch. 91 has
9 subsequently been executed, the amount of the claim shall be limited to 80% of that
10 specified in par. (b).

11 *~~1753/2.4~~* **SECTION 2199.** 71.60 (1) (c) 8. of the statutes is amended to read:

12 71.60 (1) (c) 8. If the farmland is subject to a farmland preservation agreement
13 under subch. III of ch. 91, 1999 stats., on July 1 of the year for which credit is claimed,
14 or the claimant had applied for such an agreement before July 1 of such year, and the
15 agreement has subsequently been executed, the amount of the claim shall be limited
16 to 50% of that specified in par. (b).

17 *~~0193/3.21~~* **SECTION 2200.** 71.93 (1) (a) 3. of the statutes is amended to read:

18 71.93 (1) (a) 3. An amount that the department of health and family services
19 may recover under s. 49.45 (2) (a) 10. or 49.497, if the department of health and
20 family services has certified the amount under s. 49.85.

21 *~~0546/2.7~~* **SECTION 2201.** 73.01 (4) (a) of the statutes is amended to read:

22 73.01 (4) (a) Subject to the provisions for judicial review contained in s. 73.015,
23 the commission shall be the final authority for the hearing and determination of all
24 questions of law and fact arising under sub. (5) and s. 72.86 (4), 1985 stats., and ss.
25 ~~70.11 (21)~~, 70.38 (4) (a), 70.397, 70.64, and 70.995 (8), s. 76.38 (12) (a), 1993 stats.,

SENATE BILL 55**SECTION 2201**

1 ss. 76.39 (4) (c), 76.48 (6), 76.91, 77.26 (3), 77.59 (6) (b), 78.01, 78.22, 78.40, 78.555,
2 139.02, 139.03, 139.06, 139.31, 139.315, 139.33, 139.76, 139.78, 341.405, and 341.45,
3 subch. XIV of ch. 71, and subch. VII of ch. 77. Whenever with respect to a pending
4 appeal there is filed with the commission a stipulation signed by the department of
5 revenue and the adverse party, under s. 73.03 (25), or the department of
6 transportation and the adverse party agreeing to an affirmance, modification, or
7 reversal of the department of revenue's or department of transportation's position
8 with respect to some or all of the issues raised in the appeal, the commission shall
9 enter an order affirming or modifying in whole or in part, or canceling the assessment
10 appealed from, or allowing in whole or in part or denying the petitioner's refund
11 claim, as the case may be, pursuant to and in accordance with the stipulation filed.
12 No responsibility shall devolve upon the commission, respecting the signing of an
13 order of dismissal as to any pending appeal settled by the department of revenue or
14 the department of transportation without the approval of the commission.

15 *~~0546/2.8~~* **SECTION 2202.** 73.01 (5) (a) of the statutes is amended to read:

16 73.01 (5) (a) Any person who is aggrieved by a determination of the state board
17 of assessors under s. 70.995 (8) ~~or by the department of revenue under s. 70.11 (21)~~
18 or who has filed a petition for redetermination with the department of revenue and
19 who is aggrieved by the redetermination of the department of revenue may, within
20 60 days of the determination of the state board of assessors or of the department of
21 revenue or, in all other cases, within 60 days after the redetermination but not
22 thereafter, file with the clerk of the commission a petition for review of the action of
23 the department of revenue and the number of copies of the petition required by rule
24 adopted by the commission. Any person who is aggrieved by a determination of the
25 department of transportation under s. 341.405 or 341.45 may, within 30 days after

SENATE BILL 55

1 the determination of the department of transportation, file with the clerk of the
2 commission a petition for review of the action of the department of transportation
3 and the number of copies of the petition required by rule adopted by the commission.
4 If a municipality appeals, its appeal shall set forth that the appeal has been
5 authorized by an order or resolution of its governing body and the appeal shall be
6 verified by a member of that governing body as pleadings in courts of record are
7 verified. The clerk of the commission shall transmit one copy to the department of
8 revenue, or to the department of transportation, and to each party. In the case of
9 appeals from manufacturing property assessments, the person assessed shall be a
10 party to a proceeding initiated by a municipality. At the time of filing the petition,
11 the petitioner shall pay to the commission a \$25 filing fee. The commission shall
12 deposit the fee in the general fund. Within 30 days after such transmission the
13 department of revenue, except for petitions objecting to manufacturing property
14 assessments, or the department of transportation, shall file with the clerk of the
15 commission an original and the number of copies of an answer to the petition
16 required by rule adopted by the commission and shall serve one copy on the petitioner
17 or the petitioner's attorney or agent. Within 30 days after service of the answer, the
18 petitioner may file and serve a reply in the same manner as the petition is filed. Any
19 person entitled to be heard by the commission under s. 76.38 (12) (a), 1993 stats., or
20 s. 76.39 (4) (c), 76.48, or 76.91 may file a petition with the commission within the time
21 and in the manner provided for the filing of petitions in income or franchise tax cases.
22 Such papers may be served as a circuit court summons is served or by certified mail.
23 For the purposes of this subsection, a petition for review is considered timely filed
24 if mailed by certified mail in a properly addressed envelope, with postage duly
25 prepaid, which envelope is postmarked before midnight of the last day for filing.

SENATE BILL 55**SECTION 2203**

1 ***-0667/5.12*** **SECTION 2203.** 73.03 (35) of the statutes is amended to read:

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

9 ***-1856/6.7*** **SECTION 2204.** 73.03 (35m) of the statutes is created to read:

10 73.03 **(35m)** To deny a portion of a credit claimed under s. 71.07 (3g), 71.28 (3g),
11 or 71.47 (3g), if granting the full amount claimed would violate a requirement under
12 s. 560.96 or would bring the total of the credits claimed under ss. 71.07 (3g), 71.28
13 (3g), and 71.47 (3g) over the limit for all claimants under s. 560.96 (2).

14 ***-0937/1.1*** **SECTION 2205.** 73.03 (52m) of the statutes is created to read:

15 73.03 **(52m)** To enter into agreements with other states that provide for
16 offsetting state tax refunds against tax obligations of other states and offsetting tax
17 refunds of other states against state tax obligations, if the agreements provide that
18 setoffs under ss. 71.93 and 71.935 occur before the setoffs under those agreements.

19 ***-1686/4.95*** **SECTION 2206.** 73.0301 (1) (d) 3. of the statutes is amended to
20 read:

21 73.0301 (1) (d) 3. A license, certificate of approval, ~~provisional~~ probationary
22 license, ~~conditional license~~, certification, certification card, registration, permit,
23 training permit ~~or~~, approval, or conditional license, certification, approval, or
24 registration specified in s. 50.02 (3g), 50.35, 50.49 (6) (a) or (10), 50.93 (3), 51.038,
25 51.04 (1), (2), or (3), 51.42 (7) (b) 11., 51.421 (3) (a), ~~51.45 (8)~~, 146.40 (3) or (3m), 146.50

SENATE BILL 55**SECTION 2206**

1 (5) (a) or (b), (6g) (a), (7) or (8) (a) or (f), 250.05 (5), 252.23 (2), 252.24 (2), 254.176,
2 254.20 (3), 255.08 (2) (a) or 343.305 (6) (a) or a permit for operation of a campground
3 specified in s. 254.47 (1).

4 ***-2057/1.1* SECTION 2207.** 73.0305 of the statutes is amended to read:

5 **73.0305 Revenue limits and intradistrict transfer aid calculations.** The
6 department of revenue shall annually determine and certify to the state
7 superintendent of public instruction, no later than the 4th Monday in June, the
8 allowable rate of increase under s. ~~121.85 (6) (ar) and subch. VII of ch. 121~~ 121.91
9 (2m) (d). The allowable rate of increase is the percentage change in the consumer
10 price index for all urban consumers, U.S. city average, between the preceding March
11 31 and the 2nd preceding March 31, as computed by the federal department of labor.

12 ***-0401/1.3* SECTION 2208.** 74.23 (1) (a) 2. of the statutes is amended to read:

13 74.23 (1) (a) 2. Pay to the proper treasurer all collections of special
14 assessments, special charges and special taxes, except that occupational taxes under
15 ss. 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land
16 taxes under ch. 77 shall be settled for under s. 74.25 (1) (a) 1. to 8.

17 ***-0543/3.16* SECTION 2209.** 74.23 (1) (a) 5. of the statutes is created to read:

18 74.23 (1) (a) 5. Pay to each taxing jurisdiction within the district its
19 proportionate share of the taxes and interest under s. 70.995 (12) (a).

20 ***-1341/4.21* SECTION 2210.** 74.23 (1) (b) of the statutes is amended to read:

21 74.23 (1) (b) *General property taxes.* After making the distribution under par.
22 (a), the taxation district treasurer shall pay to each taxing jurisdiction within the
23 district its proportionate share of general property taxes, except that the treasurer
24 shall pay the state's proportionate share to the county. As part of that distribution,
25 the taxation district treasurer shall retain for the taxation district and for each tax

SENATE BILL 55**SECTION 2210**

1 incremental district within the taxation district and each environmental
2 remediation tax incremental district created by the taxation district its
3 proportionate share of general property taxes. The taxation district treasurer shall
4 also distribute to the county the proportionate share of general property taxes for
5 each environmental remediation tax incremental district created by the county.

6 ***-0401/1.4* SECTION 2211.** 74.25 (1) (a) 2. of the statutes is amended to read:

7 74.25 (1) (a) 2. Pay to the proper treasurer all collections of special
8 assessments, special charges and special taxes, except that occupational taxes under
9 ss. 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land
10 taxes under ch. 77 shall be settled for under subs. 5. to 8.

11 ***-0401/1.5* SECTION 2212.** 74.25 (1) (a) 3. of the statutes is amended to read:

12 74.25 (1) (a) 3. Retain all collections of special assessments, special charges and
13 special taxes due to the taxation district, except that occupational taxes under ss.
14 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land taxes
15 under ch. 77 shall be settled for under subs. 5. to 8.

16 ***-0543/3.17* SECTION 2213.** 74.25 (1) (a) 4m. of the statutes is created to read:

17 74.25 (1) (a) 4m. Pay to each taxing jurisdiction within the district its
18 proportionate share of the taxes and interest under s. 70.995 (12) (a).

19 ***-1341/4.22* SECTION 2214.** 74.25 (1) (b) 1. of the statutes is amended to read:

20 74.25 (1) (b) 1. Pay in full to each taxing jurisdiction within the district all
21 personal property taxes included in the tax roll which have not previously been paid
22 to, or retained by, that taxing jurisdiction, except that the treasurer shall pay the
23 state's proportionate share to the county. As part of that distribution, the taxation
24 district treasurer shall allocate to each tax incremental district within the taxation
25 district and each environmental remediation tax incremental district created by the

SENATE BILL 55**SECTION 2214**

1 taxation district its proportionate share of personal property taxes. The taxation
2 district treasurer shall also distribute to the county the proportionate share of
3 general property taxes for each environmental remediation tax incremental district
4 created by the county.

5 ***-1341/4.23* SECTION 2215.** 74.25 (1) (b) 2. of the statutes is amended to read:

6 74.25 (1) (b) 2. Pay to each taxing jurisdiction within the district its
7 proportionate share of real property taxes, except that the treasurer shall pay the
8 state's proportionate share to the county. As part of that distribution, the taxation
9 district treasurer shall retain for the taxation district and for each tax incremental
10 district within the taxation district and each environmental remediation tax
11 incremental district created by the taxation district its proportionate share of real
12 property taxes. The taxation district treasurer shall also distribute to the county the
13 proportionate share of general property taxes for each environmental remediation
14 tax incremental district created by the county.

15 ***-0401/1.6* SECTION 2216.** 74.30 (1) (b) of the statutes is amended to read:

16 74.30 (1) (b) Pay to the proper treasurer all collections of special assessments,
17 special charges and special taxes, except that occupational taxes under ss. 70.40 to
18 ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land taxes under
19 ch. 77 shall be settled for under pars. (c) to (h).

20 ***-0401/1.7* SECTION 2217.** 74.30 (1) (c) of the statutes is amended to read:

21 74.30 (1) (c) Retain all collections of special assessments, special charges and
22 special taxes due to the taxation district, except that occupational taxes under ss.
23 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land taxes
24 under ch. 77 shall be settled for under pars. (e) to (h).

25 ***-0543/3.18* SECTION 2218.** 74.30 (1) (dm) of the statutes is created to read:

SENATE BILL 55**SECTION 2218**

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 *~~1341/4.24~~* **SECTION 2219.** 74.30 (1) (i) of the statutes is amended to read:

4 74.30 (1) (i) Pay in full to each taxing jurisdiction within the district all
5 personal property taxes included in the tax roll which have not previously been paid
6 to, or retained by, each taxing jurisdiction, except that the treasurer shall pay the
7 state's proportionate share to the county. As part of that distribution, the taxation
8 district treasurer shall allocate to each tax incremental district within the taxation
9 district and each environmental remediation tax incremental district created by the
10 taxation district its proportionate share of personal property taxes. The taxation
11 district treasurer shall also distribute to the county the proportionate share of
12 general property taxes for each environmental remediation tax incremental district
13 created by the county.

14 *~~1341/4.25~~* **SECTION 2220.** 74.30 (1) (j) of the statutes is amended to read:

15 74.30 (1) (j) Pay to each taxing jurisdiction within the district its proportionate
16 share of real property taxes, except that the treasurer shall pay the state's
17 proportionate share to the county. As part of that distribution, the taxation district
18 treasurer shall retain for the taxation district and for each tax incremental district
19 within the taxation district and each environmental remediation tax incremental
20 district created by the taxation district its proportionate share of real property taxes.
21 The taxation district treasurer shall also distribute to the county the proportionate
22 share of general property taxes for each environmental remediation tax incremental
23 district created by the county.

24 *~~1341/4.26~~* **SECTION 2221.** 74.30 (2) (b) of the statutes is amended to read:

SENATE BILL 55**SECTION 2221**

1 74.30 (2) (b) Pay to each taxing jurisdiction within the district its proportionate
2 share of real property taxes collected, except that the taxation district treasurer shall
3 pay the state's proportionate share to the county, and the county treasurer shall
4 settle for that share under s. 74.29. As part of that distribution, the taxation district
5 treasurer shall retain for the taxation district and for each tax incremental district
6 within the taxation district and each environmental remediation tax incremental
7 district created by the taxation district its proportionate share of real property taxes.
8 The taxation district treasurer shall also distribute to the county the proportionate
9 share of general property taxes for each environmental remediation tax incremental
10 district created by the county.

11 *–0543/3.19* **SECTION 2222.** 74.35 (3) (c) of the statutes is amended to read:

12 74.35 (3) (c) If the governing body of the taxation district determines that an
13 unlawful tax has been paid and that the claim for recovery of the unlawful tax has
14 complied with all legal requirements, the governing body shall allow the claim. ~~The~~
15 Except as provided in par. (cm), the taxation district treasurer shall pay the claim
16 not later than 90 days after the claim is allowed.

17 *–0543/3.20* **SECTION 2223.** 74.35 (3) (cm) of the statutes is created to read:

18 74.35 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on
19 property that is assessed under s. 70.995 in 5 annual installments, each of which
20 except the last is equal to at least 20% of the sum of the refund and the interest on
21 the refund, beginning in the year of the determination under par. (c), if all of the
22 following conditions exist:

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

SENATE BILL 55**SECTION 2223**

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

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

4 ***-0543/3.21*** **SECTION 2224.** 74.37 (3) (c) of the statutes is amended to read:

5 74.37 (3) (c) If the governing body of the taxation district or county that has a
6 county assessor system determines that a tax has been paid which was based on an
7 excessive assessment, and that the claim for an excessive assessment has complied
8 with all legal requirements, the governing body shall allow the claim. The Except
9 as provided in par. (cm), the taxation district or county treasurer shall pay the claim
10 not later than 90 days after the claim is allowed.

11 ***-0543/3.22*** **SECTION 2225.** 74.37 (3) (cm) of the statutes is created to read:

12 74.37 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on
13 property that is assessed under s. 70.995 in 5 annual installments, each of which
14 except the last is equal to at least 20% of the sum of the refund and the interest on
15 the refund, beginning in the year of the determination under par. (c), if all of the
16 following conditions exist:

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

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

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

22 ***-0925/1.2*** **SECTION 2226.** 74.41 (1) (d) of the statutes is created to read:

23 74.41 (1) (d) Have been corrected under s. 70.73 (1m).

24 ***-1314/2.1*** **SECTION 2227.** 75.001 (2) of the statutes is amended to read:

SENATE BILL 55

1 75.001 (2) “Tax deed” means a tax deed executed under s. 75.107 or 75.14, a
2 deed executed under s. 75.19 or a judgment issued under s. 75.521.

3 *–1314/2.2* **SECTION 2228.** 75.107 of the statutes is created to read:

4 **75.107 Tax deed of property contaminated by a hazardous substance.**

5 (1) DEFINITIONS. In this section:

6 (a) “Brownfield” has the meaning given in s. 560.13 (1) (a).

7 (b) “Department” means the department of natural resources.

8 (c) “Discharge” has the meaning given in s. 292.01 (3).

9 (d) “Hazardous substance” has the meaning given in s. 292.01 (5).

10 (2) TAX DEED. If any property subject to a tax deed is not redeemed within the
11 time period provided under s. 74.57 (2) (b) (intro.), the governing body of the county
12 in which the property is located may direct the county clerk to execute a tax deed of
13 the property if all of the following apply:

14 (a) The county clerk complies with s. 75.14 (2) as it relates to the property.

15 (b) The governing body of the county provides written notice to the governing
16 body of the municipality in which the property is located at least 15 days before the
17 governing body of the county meets to consider approving executing the tax deed.

18 (c) The property is a brownfield.

19 (d) An environmental assessment of the property has been conducted and the
20 results of that assessment are provided to the department.

21 (e) If the property is contaminated by a hazardous substance, as determined
22 by the assessment under par. (d), and the person to whom the tax deed is to be
23 executed agrees to accept the tax deed regardless of the contamination, the person
24 enters into an agreement with the department to, pursuant to rules promulgated by
25 the department, investigate and clean up the property to the extent practicable;

SENATE BILL 55**SECTION 2228**

1 minimize the harmful effects from the hazardous substance; and maintain and
2 monitor the property.

3 (3) ADMINISTRATION. Section 75.14 (1) and (4), as it applies to issuing a tax deed
4 under that section, applies to issuing a tax deed under sub. (2), except that a person
5 who accepts a tax deed under sub. (2) shall take title to, and is the owner of the
6 property. A person who accepts a tax deed under sub. (2) may commence an action
7 to bar any former owner of the property, and anyone claiming under a former owner,
8 from all right, title, interest, or claim in the property in the manner specified under
9 ss. 75.39 to 75.42.

10 *-1315/2.1* SECTION 2229. 75.69 (1m) (c) of the statutes is created to read:

11 75.69 (1m) (c) Notwithstanding sub. (1), a county may sell tax delinquent real
12 property acquired by the county without using a competitive bidding process, if all
13 of the following apply:

14 1. The county provides written notice of the sale to the clerk of the municipality
15 in which the property is located at least 15 days before the sale.

16 2. The property is contaminated by a hazardous substance, as defined in s.
17 292.01 (5).

18 3. The property is a brownfield, as defined in s. 560.13 (1) (a).

19 4. An environmental assessment of the property has been conducted and the
20 results of that assessment are provided to the department of natural resources.

21 5. The purchaser of the property enters into an agreement with the department
22 of natural resources to, pursuant to rules that the department promulgates,
23 investigate and clean up the property to the extent practicable; minimize any
24 harmful effects from the hazardous substance; and maintain and monitor the
25 property.

SENATE BILL 55

SECTION 2230

1 *~~1315/2.2~~* SECTION 2230. 75.69 (4) of the statutes is amended to read:

2 75.69 (4) ~~No~~ Except as provided in sub. (1m) (c) 1., no tax delinquent real estate
3 may be sold by a county under this section unless notice of such sale is mailed to the
4 clerk of the municipality in which the real estate is located at least 3 weeks prior to
5 the time of the sale. Any county may sell tax delinquent real estate by open or closed
6 bid.

7 *~~0832/5.10~~* SECTION 2231. 76.02 (1) of the statutes is amended to read:

8 76.02 (1) “Air carrier company” means any person engaged in the business of
9 transportation in aircraft of persons or property for hire on regularly scheduled
10 flights, except an air carrier company whose property is exempt from taxation under
11 s. 70.11 (42) (b). In this subsection, “aircraft” means a completely equipped operating
12 unit, including spare flight equipment, used as a means of conveyance in air
13 commerce.

14 *~~1321/2.1~~* SECTION 2232. 76.025 (2) of the statutes is amended to read:

15 76.025 (2) If the property of any company defined in s. 76.28 (1), except a
16 qualified wholesale electric company as defined in s. 76.28 (1) (gm) and a wholesale
17 merchant plant as defined in s. 196.491 (1) (w), is located entirely within a single
18 town, village or city, it shall be subject to local assessment and taxation.

19 *~~1321/2.2~~* SECTION 2233. 76.28 (1) (e) (intro.) of the statutes is amended to
20 read:

21 76.28 (1) (e) (intro.) “Light, heat and power companies” means any person,
22 association, company or corporation, including corporations described in s. 66.0813,
23 qualified wholesale electric companies, wholesale merchant plants as defined in s.
24 196.491 (1) (w), and transmission companies and except only business enterprises
25 carried on exclusively either for the private use of the person, association, company

SENATE BILL 55**SECTION 2233**

1 or corporation engaged in them, or for the private use of a person, association,
2 company or corporation owning a majority of all outstanding capital stock or who
3 control the operation of business enterprises and except electric cooperatives taxed
4 under s. 76.48 that engage in any of the following businesses:

5 ***-2389/1.4* SECTION 2234.** 76.28 (1) (f) of the statutes is amended to read:

6 76.28 (1) (f) "Payroll factor" means a fraction the numerator of which is the total
7 amount paid in this state during the tax period by the taxpayer for compensation and
8 the denominator of which is the total compensation paid everywhere during the tax
9 period, except that compensation solely related to the production of nonoperating
10 revenues shall be excluded from the numerator and denominator of the payroll factor
11 and except that compensation related to the production of both operating and
12 nonoperating revenue shall be partially excluded from the numerator and
13 denominator of the payroll factor so as to exclude as near as possible the portion of
14 compensation related to the production of nonoperating revenue. Compensation is
15 paid in this state if the individual's service is performed entirely within this state,
16 or if the individual's service is performed both within and outside this state but the
17 service performed outside this state is incidental to the individual's service within
18 this state, or if some of the service is performed in this state and the base of operations
19 or, if there is no base of operations, the place from which the service is directed or
20 controlled is in this state or the base of operations or the place from which the service
21 is directed or controlled is not in any state in which part of the service is performed
22 and the individual's residence is in this state. In this paragraph, "compensation"
23 includes management and service fees paid to an affiliated service corporation
24 pursuant to 15 USC 79.

25 ***-1321/2.3* SECTION 2235.** 76.28 (2) (a) of the statutes is amended to read:

SENATE BILL 55**SECTION 2235**

1 76.28 (2) (a) ~~There~~ Except as provided in s. 76.29, there is imposed on every
2 light, heat and power company an annual license fee to be assessed by the
3 department on or before May 1, 1985, and every May 1 thereafter measured by the
4 gross revenues of the preceding year, excluding gross revenues under s. 76.29, at the
5 rates and by the methods set forth under pars. (b) to (d). The fee shall become
6 delinquent if not paid when due and when delinquent shall be subject to interest at
7 the rate of 1.5% per month until paid. Payment in full of the May 1 assessment
8 constitutes a license to carry on business for the 12-month period commencing on the
9 preceding January 1.

10 *–1321/2.4* **SECTION 2236.** 76.29 of the statutes is created to read:

11 **76.29 License fee for selling electricity at wholesale. (1) DEFINITIONS.**

12 In this section:

13 (a) “Apportionment factor” has the meaning given in s. 76.28 (1) (a).

14 (b) “Department” means the department of revenue.

15 (c) “Electric cooperative” has the meaning given in s. 76.48 (1g) (c).

16 (d) “Gross revenues” means total revenues from the sale of electricity for resale
17 by the purchaser of the electricity.

18 (e) “Light, heat, and power companies” has the meaning given in s. 76.28 (1)

19 (e).

20 (f) “Tax period” means each calendar year or portion of a calendar year from
21 January 1, 2003, to December 31, 2008.

22 (2) **IMPOSITION.** There is imposed on every light, heat, and power company and
23 electric cooperative that owns an electric utility plant, an annual license fee to be
24 assessed by the department on or before May 1, 2004, and every May 1 thereafter,
25 ending with the assessment on May 1, 2009, measured by the gross revenues of the

SENATE BILL 55**SECTION 2236**

1 preceding tax period in an amount equal to the apportionment factor multiplied by
2 gross revenues multiplied by 1.59%. The fee shall become delinquent if not paid
3 when due and when delinquent shall be subject to interest at the rate of 1.5% per
4 month until paid.

5 **(3) ADMINISTRATION.** Section 76.28 (3) (c) and (4) to (11), as it applies to the fee
6 imposed under s. 76.28 (2), applies to the fee imposed under this section.

7 ***-1321/2.5* SECTION 2237.** 76.48 (1r) of the statutes is amended to read:

8 76.48 (1r) ~~Every~~ Except as provided in s. 76.29, every electric cooperative shall
9 pay, in lieu of other general property and income or franchise taxes, an annual license
10 fee equal to its apportionment factor multiplied by its gross revenues, excluding
11 gross revenues under s. 76.29, multiplied by 3.19%. Real estate and personal
12 property not used primarily for the purpose of generating, transmitting or
13 distributing electric energy are subject to general property taxes. If a general
14 structure is used in part to generate, transmit or distribute electric energy and in
15 part for nonoperating purposes, the license fee imposed by this section is in place of
16 the percentage of all other general property taxes that fairly measures and
17 represents the extent of the use in generating, transmitting or distributing electric
18 energy, and the balance is subject to local assessment and taxation, except that the
19 entire general structure is subject to special assessments for local improvements.

20 ***-0472/1.1* SECTION 2238.** 76.60 of the statutes is amended to read:

21 **76.60 Fire and marine insurers; license fees.** Every insurer doing a fire
22 or marine insurance business, other than domestic insurers and insurers excepted
23 under s. 76.61, shall pay to the state, in respect to marine insurance a tax of 0.5% and
24 in respect to fire insurance a tax of 2.375% on the amount of its gross premiums, as
25 calculated under s. 76.62. In case any insurer discontinues business in this state and

SENATE BILL 55**SECTION 2238**

1 reinsures the whole or a part of its risks without making payment of this tax, the
2 insurer accepting such reinsurance shall pay the tax. If several insurers make such
3 reinsurance the tax shall be apportioned among the insurers in proportion to the
4 original premiums upon the business in this state so reinsured by each such insurer.
5 Upon the payment of the tax provided in this section, and the fees required by under
6 s. 601.31, such insurer may be licensed to transact its business until May 1 in the
7 ensuing year, unless before then its license is revoked or forfeited according to law.

8 ***-0472/1.2* SECTION 2239.** 76.61 of the statutes is amended to read:

9 **76.61 Town mutual insurers; taxes, charges, dues, and license fees.** No
10 town mutual insurer organized under or subject to ch. 612 shall be required to pay
11 any taxes, charges, dues, or license fees to the state except those charges and dues
12 provided for in under ss. 601.31, 601.32, 601.45, and 601.93.

13 ***-0472/1.3* SECTION 2240.** 76.68 (1) of the statutes is amended to read:

14 76.68 (1) Every license issued under this subchapter and chs. 600 to 646 shall
15 certify that ~~payment~~ of the license fee or tax and the fee required by s. 601.31 (1) (b)
16 or a rule promulgated under s. 601.31 (4) with respect to s. 601.31 (1) (b) has been
17 ~~made paid~~, be signed by the commissioner of insurance, and be in a form approved
18 by the attorney general.

19 ***-0472/1.4* SECTION 2241.** 76.68 (2) of the statutes is amended to read:

20 76.68 (2) No suit may be brought to restrain or enjoin the collection of any
21 license fee or tax imposed or provided for by this subchapter, ~~and~~ or the fees required
22 ~~by~~ under s. 601.31. Any insurer aggrieved by the payment of any such license or
23 other fee or tax may maintain a suit against the state for the recovery thereof in the
24 circuit court for Dane County within 6 months from the time of the payment. The
25 state may be served in the suit as provided in s. 801.11 (3).

SENATE BILL 55**SECTION 2242**

1 *–0472/1.5* **SECTION 2242.** 76.68 (4) of the statutes is amended to read:

2 76.68 (4) The attorney general shall institute suit in the circuit court for Dane
3 County to recover any license fees or tax not paid within the time prescribed by this
4 subchapter, and the fees required by under s. 601.31. Nothing in this subsection
5 shall be construed as amending or modifying in any respect ch. 775.

6 *–0544/3.3* **SECTION 2243.** 76.81 of the statutes is amended to read:

7 **76.81 Imposition.** There is imposed a tax on the real property of, and the
8 tangible personal property of, every telephone company, excluding property that is
9 exempt from the property tax under s. 70.11 (39), motor vehicles that are exempt
10 under s. 70.112 (5), property that is used less than 50% in the operation of a telephone
11 company, as provided under s. 70.112 (4) (b), and treatment plant and pollution
12 abatement equipment that is exempt under s. 70.11 (21) (a). Except as provided in
13 s. 76.815, the rate for the tax imposed on each description of real property and on each
14 item of tangible personal property is the net rate for the prior year for the tax under
15 ch. 70 in the taxing jurisdictions where the description or item is located. The real
16 and tangible personal property of a telephone company shall be assessed as provided
17 under s. 70.112 (4) (b).

18 *–2302/1.1* **SECTION 2244.** 77.51 (20) of the statutes is amended to read:

19 77.51 (20) “Tangible personal property” means all tangible personal property
20 of every kind and description and includes electricity, natural gas, steam, and water,
21 and also leased property affixed to realty if the lessor has the right to remove the
22 property upon breach or termination of the lease agreement, unless the lessor of the
23 property is also the lessor of the realty to which the property is affixed. “Tangible
24 personal property” also includes coins and stamps of the United States sold or traded

SENATE BILL 55

1 as collectors' items above their face value and computer programs ~~except, including~~
2 custom computer programs.

3 ***-0540/1.1*** **SECTION 2245.** 77.52 (2) (a) 10. of the statutes is amended to read:

4 77.52 (2) (a) 10. ~~Except for installing or applying tangible personal property~~
5 ~~which, when installed or applied, will constitute an addition or capital improvement~~
6 ~~of real property, the~~ The repair, service, alteration, fitting, cleaning, painting,
7 coating, towing, inspection and maintenance of all items of tangible personal
8 property unless, at the time of such repair, service, alteration, fitting, cleaning,
9 painting, coating, towing, inspection or maintenance, a sale in this state of the type
10 of property repaired, serviced, altered, fitted, cleaned, painted, coated, towed,
11 inspected or maintained would have been exempt to the customer from sales taxation
12 under this subchapter, other than the exempt sale of a motor vehicle or truck body
13 to a nonresident under s. 77.54 (5) (a) and other than nontaxable sales under s. 77.51
14 (14r). For purposes of this paragraph, the following items shall be deemed to have
15 retained their character as tangible personal property, regardless of the extent to
16 which any such item is fastened to, connected with or built into real property:
17 furnaces, boilers, stoves, ovens, including associated hoods and exhaust systems,
18 heaters, air conditioners, humidifiers, dehumidifiers, refrigerators, coolers, freezers,
19 water pumps, water heaters, water conditioners and softeners, clothes washers,
20 clothes dryers, dishwashers, garbage disposal units, radios and radio antennas,
21 incinerators, television receivers and antennas, record players, tape players,
22 jukeboxes, vacuum cleaners, furniture and furnishings, carpeting and rugs,
23 bathroom fixtures, sinks, awnings, blinds, gas and electric logs, heat lamps,
24 electronic dust collectors, grills and rotisseries, bar equipment, intercoms,
25 recreational, sporting, gymnasium and athletic goods and equipment including by

SENATE BILL 55**SECTION 2245**

1 way of illustration but not of limitation bowling alleys, golf practice equipment, pool
2 tables, punching bags, ski tows and swimming pools; ~~office, restaurant and tavern~~
3 ~~type equipment in offices, business facilities, schools, and hospitals but not in~~
4 ~~residential facilities including personal residences, apartments, long-term care~~
5 ~~facilities, as defined under s. 16.009 (1) (em), state institutions, as defined under s.~~
6 ~~101.123 (1) (i), or similar facilities, including by way of illustration but not of~~
7 limitation lamps, chandeliers, and fans, venetian blinds, canvas awnings, office and
8 business machines, ice and milk dispensers, beverage-making equipment, vending
9 machines, soda fountains, steam warmers and tables, compressors, condensing units
10 and evaporative condensers, pneumatic conveying systems; laundry, dry cleaning,
11 and pressing machines, power tools, burglar alarm and fire alarm fixtures, electric
12 clocks and electric signs. “Service” does not include services performed by
13 veterinarians.

14 ***-1335/7.55* SECTION 2246.** 77.54 (9a) (a) of the statutes is amended to read:

15 77.54 (9a) (a) This state or any agency thereof ~~and~~, the University of Wisconsin
16 Hospitals and Clinics Authority, and the Fox River Navigational System Authority.

17 ***-0832/5.11* SECTION 2247.** 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, 2004, 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 ***-0667/5.13* SECTION 2248.** 77.92 (4) of the statutes is amended to read:

24 77.92 (4) “Net business income”, with respect to a partnership, means taxable
25 income as calculated under section 703 of the Internal Revenue Code; plus the items

SENATE BILL 55

1 of income and gain under section 702 of the Internal Revenue Code, including taxable
2 state and municipal bond interest and excluding nontaxable interest income or
3 dividend income from federal government obligations; minus the items of loss and
4 deduction under section 702 of the Internal Revenue Code, except items that are not
5 deductible under s. 71.21; plus guaranteed payments to partners under section 707
6 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),
7 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), and (3g), and (3s); and plus or minus, as
8 appropriate, transitional adjustments, depreciation differences, and basis
9 differences under s. 71.05 (13), (15), (16), (17), and (19); but excluding income, gain,
10 loss, and deductions from farming. “Net business income”, with respect to a natural
11 person, estate, or trust, means profit from a trade or business for federal income tax
12 purposes and includes net income derived as an employee as defined in section 3121
13 (d) (3) of the Internal Revenue Code.

****NOTE: This is reconciled s. 77.92 (4). This SECTION has been affected by drafts
with the following LRB numbers: – 0667 and – 1856.

14 ***-1446/1.1* SECTION 2249.** 77.94 (1) (b) of the statutes is amended to read:
15 77.94 (1) (b) On an entity under s. 77.93 (2) ~~or~~, (3), or (5), except an entity that
16 has less than \$4,000,000 of gross receipts, an amount equal to the amount calculated
17 by multiplying net business income as allocated or apportioned to this state by means
18 of the methods under s. 71.04, for the taxable year of the entity by 0.2 %, up to a
19 maximum of \$9,800, or \$25, whichever is greater.

20 ***-1446/1.2* SECTION 2250.** 77.94 (1) (c) of the statutes is repealed.

21 ***-0320/5.4* SECTION 2251.** 77.996 (2) (intro.) of the statutes is amended to
22 read:

SENATE BILL 55**SECTION 2251**

1 77.996 (2) (intro.) “Dry cleaning facility” means a facility that dry cleans
2 apparel or household fabrics for the general public using a dry cleaning product,
3 other than the following facilities:

4 *~~0320/5.5~~* **SECTION 2252.** 77.996 (3) of the statutes is amended to read:

5 77.996 (3) “Dry cleaning ~~solvent~~ product” means a ~~chlorine-based or~~
6 ~~hydrocarbon-based formulation or product that is used as a primary cleaning agent~~
7 ~~in dry cleaning facilities~~ hazardous substance used to clean apparel or household
8 fabrics, except a hazardous substance used to launder apparel or household
9 products.

10 *~~0320/5.6~~* **SECTION 2253.** 77.9962 of the statutes is amended to read:

11 **77.9962 Dry cleaning solvents products fee.** There is imposed on each
12 person who sells a dry cleaning ~~solvent~~ product to a dry cleaning facility a fee equal
13 to \$5 per gallon of perchloroethylene sold and 75 cents per gallon of ~~a~~
14 ~~hydrocarbon-based solvent~~ any dry cleaning product sold, other than
15 perchloroethylene. The fees for the previous 3 months are due on January 25, April
16 25, July 25, and October 25.

17 *~~0320/5.7~~* **SECTION 2254.** 77.9963 of the statutes is repealed.

18 *~~0832/5.12~~* **SECTION 2255.** 78.55 (1) of the statutes is amended to read:

19 78.55 (1) “Air carrier company” has the meaning given in s. ~~76.02(1)~~ 70.11 (42)
20 (a) 1.

21 *~~1744/3.7~~* **SECTION 2256.** 79.005 (1) of the statutes is amended to read:

22 79.005 (1) “Municipality” means any town, village, or city in this state. If a
23 municipality is located in more than one county, payments under this subchapter
24 shall be computed using data for the municipality as a whole. If a municipality is
25 located in more than one growth-sharing region, as defined in s. 79.065 (1) (d),

SENATE BILL 55**SECTION 2256**

1 payments under s. 79.065 (3) shall be computed using data for the portion of the
2 municipality that is located in each growth-sharing region.

3 ***-1744/3.8* SECTION 2257.** 79.005 (2) of the statutes is amended to read:

4 79.005 (2) “Population” means the number of persons residing in each
5 municipality and county of the state as last determined by the department of
6 administration under s. 16.96, except that under s. 79.065 (3) (b), if a municipality
7 is located in more than one growth-sharing region, “population” means the number
8 of persons residing in the portion of the municipality located in each growth-sharing
9 region.

10 ***-1744/3.9* SECTION 2258.** 79.01 (1) of the statutes is amended to read:

11 79.01 (1) There is established an account in the general fund entitled the
12 “Expenditure Restraint Program Account”. Account. There shall be appropriated
13 to that account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994;
14 \$48,000,000 in each year beginning in 1995 and ending in 1999 and; \$57,000,000
15 beginning in the year 2000 and ending in 2001; and \$63,000,000 in 2002 and in each
16 year thereafter.

17 ***-1744/3.10* SECTION 2259.** 79.01 (2) of the statutes is amended to read:

18 79.01 (2) There is established an account in the general fund entitled the
19 “~~Municipal and County Shared Revenue Account,~~”, referred to in this chapter as the
20 “shared revenue account.” There shall be appropriated to the shared revenue
21 account the sums specified in ss. 79.03 and, 79.04, and 79.06.

22 ***-1744/3.11* SECTION 2260.** 79.01 (5) of the statutes is created to read:

23 79.01 (5) There is established an account in the general fund entitled the
24 “Municipal Growth-Sharing Account.” There shall be appropriated to that account
25 an amount, determined by the department of revenue, that is equal to the sales and

SENATE BILL 55**SECTION 2260**

1 use tax revenue collected under subch. III of ch. 77 in the fiscal year prior to the fiscal
2 year that any municipality receives the statement under s. 79.015 multiplied by .05.

3 ***-1744/3.12* SECTION 2261.** 79.01 (6) of the statutes is created to read:

4 79.01 (6) There is established an account in the general fund entitled the
5 “Municipal Services Aid Account.” There shall be appropriated to that account the
6 amounts necessary to make the payments to municipalities under ss. 79.04 (1) and
7 (4) (a) and 79.065 (2) and to make the payments to municipalities under s. 79.065 (5)
8 that are not paid from s. 20.835 (1) (dd).

9 ***-1744/3.13* SECTION 2262.** 79.015 of the statutes is amended to read:

10 **79.015 Statement of estimated payments.** The department of revenue, on
11 or before September 15 of each year, shall provide to each municipality and county
12 a statement of estimated payments to be made in the next calendar year to the
13 municipality or county under ss. 79.03, 79.04, 79.05, 79.058 and, 79.06, and 79.065.

14 ***-1301/5.99* SECTION 2263.** 79.02 (2) (b) of the statutes is amended to read:

15 79.02 (2) (b) Subject to s. 59.605 (4), payments in July shall equal 15% of the
16 municipality’s or county’s estimated payments under ss. 79.03, 79.04, 79.058 and,
17 79.06, and 79.065, minus any amount deducted from a municipality’s payment as
18 provided in a statement concerning the municipality under ss. 6.50 (2s) and 7.08 (7),
19 and 100% of the municipality’s estimated payments under s. 79.05.

****NOTE: This is reconciled s. 79.02 (2) (b). This SECTION has been affected by drafts
with the following LRB numbers: LRB–1301/4 and LRB–1744/2.

20 ***-1301/5.100* SECTION 2264.** 79.02 (3) of the statutes is amended to read:

21 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in
22 November shall equal that municipality’s or county’s entitlement to shared revenues
23 under ss. 79.03, 79.04, 79.05, 79.058 and, 79.06, and 79.065 for the current year,

SENATE BILL 55**SECTION 2264**

1 minus the amount distributed to the municipality or county in July and minus any
2 amount deducted from a municipality's entitlement as provided in a statement
3 concerning the municipality under ss. 6.50 (2s) and 7.08 (7).

****NOTE: This is reconciled s. 79.02 (3). This SECTION has been affected by drafts with the following LRB numbers: LRB–1301/4 and LRB–1744/2.

4 ***-1744/3.14* SECTION 2265.** 79.03 (1) of the statutes is amended to read:

5 79.03 (1) Each ~~municipality and~~ county is entitled to shared revenue,
6 ~~consisting of an in the~~ amount determined ~~on the basis of population under sub. (2),~~
7 ~~plus an amount determined under sub. (3).~~

8 ***-1744/3.15* SECTION 2266.** 79.03 (2) of the statutes is repealed.

9 ***-1744/3.16* SECTION 2267.** 79.03 (3) (a) of the statutes is amended to read:

10 79.03 (3) (a) The amount in the shared revenue account for ~~municipalities and~~
11 ~~the amount in the shared revenue account for~~ counties, less the payments under ~~sub.~~
12 ~~(2) and~~ s. 79.04, shall be allocated to each ~~municipality and~~ county respectively in
13 proportion to its entitlement. In this paragraph, “entitlement” means the product
14 of aidable revenues and tax base weight.

15 ***-1744/3.17* SECTION 2268.** 79.03 (3) (b) 1. of the statutes is amended to read:

16 79.03 (3) (b) 1. “Aidable revenues” means:

17 a. ~~For a municipality, the average local purpose revenues.~~

18 b. ~~For a county, 85% of the average local purpose revenue.~~

19 ***-1744/3.18* SECTION 2269.** 79.03 (3) (b) 3. of the statutes is amended to read:

20 79.03 (3) (b) 3. “Full valuation” means the full valuc of property that is exempt
21 under s. 70.11 (39) as determined under s. 79.095 (3) plus the full value of all taxable
22 property for the preceding year as equalized for state tax purposes, except that for
23 ~~municipalities the value of real estate assessed under s. 70.995 is excluded. Value~~

SENATE BILL 55**SECTION 2269**

1 value increments under s. 66.1105 plus the full value of property that is exempt
2 under s. 70.11 (39) that would otherwise be part of a value increment are included
3 ~~for municipalities but excluded for counties.~~ Environmental remediation value
4 increments under s. 66.1106 are included for ~~municipalities and~~ counties that create
5 the environmental remediation tax incremental district and are excluded for ~~units~~
6 of government counties that do not create the district. ~~If property that had been~~
7 ~~assessed under s. 70.995 and that has a value exceeding 10% of a municipality's value~~
8 ~~is assessed under s. 70.10, 30% of that property's full value is included in "full~~
9 ~~valuation" for purposes of the shared revenue payments in the year after the~~
10 ~~assessment under s. 70.10, 65% of that property's full value is included in "full~~
11 ~~valuation" for purposes of the shared revenue payments in the year 2 years after the~~
12 ~~assessment under s. 70.10 and 100% of that property's full value is included in "full~~
13 ~~valuation" for purposes of subsequent shared revenue payments.~~

14 ***-1744/3.19* SECTION 2270.** 79.03 (3) (b) 4. (intro.) of the statutes is amended
15 to read:

16 79.03 (3) (b) 4. (intro.) "Local purpose revenues" means the sum of payments
17 under s. 79.095, local general purpose taxes, regulation revenues, revenues for
18 services to private parties by a county's ~~or municipality's~~ general operations or
19 enterprises, revenue for sanitation services to private parties, special assessment
20 revenues, and tax base equalization aids and, ~~for municipalities only, a proxy for~~
21 ~~private sewer service costs, a proxy for private solid waste and recycling service costs~~
22 ~~and a proxy for retail charges for fire protection purposes.~~ In this subdivision:

23 ***-1744/3.20* SECTION 2271.** 79.03 (3) (b) 4. a. of the statutes is amended to
24 read:

SENATE BILL 55**SECTION 2271**

1 79.03 (3) (b) 4. a. “Local general purpose taxes” means ~~the portion of tax~~
2 ~~increments collected for payment to a municipality under s. 66.1105 which is~~
3 ~~attributable to that municipality’s own levy~~, the portion of environmental
4 remediation tax increments collected for payment to a ~~municipality or~~ county under
5 s. 66.1106 that is attributable to that ~~municipality’s or~~ county’s own levy, general
6 property taxes, excluding taxes for a county children with disabilities education
7 board, collected to finance the general purpose government unit, property taxes
8 collected for sewage and sanitary districts, mobile home fees, the proceeds of county
9 sales and use taxes, and ~~municipal and~~ county vehicle registration fees under s.
10 341.35 (1).

11 *–1744/3.21* SECTION 2272. 79.03 (3) (b) 4. b. of the statutes is repealed.

12 *–1744/3.22* SECTION 2273. 79.03 (3) (b) 4. bg. of the statutes is repealed.

13 *–1744/3.23* SECTION 2274. 79.03 (3) (b) 4. bm. of the statutes is repealed.

14 *–1744/3.24* SECTION 2275. 79.03 (3) (b) 4. d. of the statutes is amended to
15 read:

16 79.03 (3) (b) 4. d. “Revenue for sanitation services to private parties” means
17 revenues collected from private parties by a county’s ~~or municipality’s~~ general
18 operations or enterprises and by sewerage, sanitation, or inland lake rehabilitation
19 districts as refuse collection fees, sewerage service fees, and landfill fees.

20 *–1744/3.25* SECTION 2276. 79.03 (3) (b) 4. e. of the statutes is amended to
21 read:

22 79.03 (3) (b) 4. e. “Revenues for services to private parties by a county’s ~~or~~
23 ~~municipality’s~~ general operations or enterprises” means revenues collected from
24 private parties for the following services: general government services consisting of
25 license publication fees, sale of publications, clerk’s fees, and treasurer’s fees; public

SENATE BILL 55**SECTION 2276**

1 safety services, consisting of police or sheriff's department fees, fire department fees,
2 and ambulance fees; inspection services, consisting of building, electrical, heat,
3 plumbing, elevator, and weights and measures; sidewalk replacement or
4 construction fees, storm sewer construction fees, street lighting fees; parking ramps,
5 meters and lot fees; library fines or fees; and museum and zoo users or admission
6 fees.

7 ***-1744/3.26* SECTION 2277.** 79.03 (3) (b) 4. f. of the statutes is amended to
8 read:

9 79.03 (3) (b) 4. f. "Special assessment revenues" means charges assessed
10 against benefited properties for capital improvements by a ~~municipality or county~~
11 placed on the current tax roll for collection or collected during the year in advance
12 of being placed on the tax roll.

13 ***-1744/3.27* SECTION 2278.** 79.03 (3) (b) 4. h. of the statutes is repealed.

14 ***-1744/3.28* SECTION 2279.** 79.03 (3) (b) 5. of the statutes is amended to read:

15 79.03 (3) (b) 5. "Standardized valuation" means the product of the standardized
16 valuation per person times the population of a ~~municipality or a county~~ in the
17 preceding year.

18 ***-1744/3.29* SECTION 2280.** 79.03 (3) (b) 6. of the statutes is amended to read:

19 79.03 (3) (b) 6. "Standardized valuation per person" is that number that when
20 used in the computation under par. (a) most nearly approximates the sum of
21 entitlements for all ~~municipalities or for all~~ counties respectively to the funds
22 distributable under par. (a).

23 ***-1744/3.30* SECTION 2281.** 79.03 (4) of the statutes is amended to read:

24 79.03 (4) In 1991, the total amount to be distributed under ss. 79.03, 79.04, and
25 79.06 from s. 20.835 (1) (d) is \$869,000,000. In 1992, the total amount to be

SENATE BILL 55

1 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$885,961,300.
2 In 1993, the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s.
3 20.835 (1) (d) is \$903,680,500. In 1994, the total amounts to be distributed under this
4 section and ss. 79.04 and 79.06 from s. 20.835 (1) (d) are \$746,547,500 to
5 municipalities and \$168,981,800 to counties. In Beginning in 1995 and subsequent
6 years ending in 2001, the total amounts to be distributed under ss. 79.03, 79.04, and
7 79.06 from s. 20.835 (1) (d) are \$761,478,000 to municipalities and \$168,981,800 to
8 counties. In 2002, the total amount to be distributed to municipalities under ss.
9 79.04 and 79.065 (2) from s. 20.835 (1) (db) is \$755,478,000, less the amounts
10 distributed under s. 79.065 (3) from s. 20.835 (1) (dd). In 2003 and subsequent years,
11 the total amount to be distributed to municipalities under ss. 79.04 and 79.065 (2)
12 from s. 20.835 (1) (db) is the amount distributed under ss. 79.04 and 79.065 (2) to
13 municipalities in 2002. In 2002 and subsequent years, the total amount to be
14 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$168,981,800.
15 In 2002, and subsequent years, the amount to be distributed to municipalities from
16 s. 20.835 (1) (d) shall be increased by any amounts to be paid under s. 79.04 for any
17 qualifying property of wholesale merchant plants, located in a municipality, that did
18 not exist in the previous year, and the amount to be distributed to counties from s.
19 20.835 (1) (d) shall be increased by any amounts to be paid under s. 79.04 for any
20 qualifying property of wholesale merchant plants, located in a county, that did not
21 exist in the previous year.

***NOTE: This is reconciled s.79.03 (4). This SECTION has been affected by drafts
with the following LRB numbers: -1321 and -1744.

22 ***-1321/2.6* SECTION 2282.** 79.04 (1) (intro.) of the statutes is amended to read:

SENATE BILL 55**SECTION 2282**

1 79.04 (1) (intro.) Annually the department of administration, upon
2 certification by the department of revenue, shall distribute to a municipality having
3 within its boundaries a production plant or a general structure, including production
4 plants and general structures under construction, used by a light, heat, or power
5 company assessed under s. 76.28 (2) or 76.29 (2), except property described in s.
6 66.0813 unless the production plant is owned or operated by a local governmental
7 unit located outside of the municipality, or by an electric cooperative assessed under
8 ss. 76.07 and 76.48, respectively, or by a municipal electric company under s. 66.0825
9 the amount determined as follows:

10 *~~1321/2.7~~* **SECTION 2283.** 79.04 (1) (a) of the statutes is amended to read:

11 79.04 (1) (a) An amount from the shared revenue account determined by
12 multiplying by 3 mills in the case of a town, and 6 mills in the case of a city or village,
13 the first \$125,000,000 of the amount shown in the account, plus leased property, of
14 each public utility except qualified wholesale electric companies, as defined in s.
15 76.28 (1) (gm), and except wholesale merchant plants, as defined in s. 196.491 (1) (w),
16 on December 31 of the preceding year for either “production plant, exclusive of land”
17 and “general structures”, or “work in progress” for production plants and general
18 structures under construction, in the case of light, heat and power companies,
19 electric cooperatives or municipal electric companies, for all property within a
20 municipality in accordance with the system of accounts established by the public
21 service commission or rural electrification administration, less depreciation thereon
22 as determined by the department of revenue and less the value of treatment plant
23 and pollution abatement equipment, as defined under s. 70.11 (21) (a), as determined
24 by the department of revenue plus an amount from the shared revenue account
25 determined by multiplying by 3 mills in the case of a town, and 6 mills in the case

SENATE BILL 55**SECTION 2283**

1 of a city or village, of the first \$125,000,000 of the total original cost of production
2 plant, general structures and work-in-progress less depreciation, land and
3 approved waste treatment facilities of each qualified wholesale electric company, as
4 defined in s. 76.28 (1) (gm), and each wholesale merchant plant, as defined in s.
5 196.491 (1) (w), as reported to the department of revenue of all property within the
6 municipality. The total of amounts, as depreciated, from the accounts of all public
7 utilities for the same production plant is also limited to not more than \$125,000,000.
8 The amount distributable to a municipality in any year shall not exceed \$300 times
9 the population of the municipality.

10 ***-1321/2.8*** SECTION 2284. 79.04 (1) (c) 2. of the statutes is amended to read:

11 79.04 (1) (c) 2. If a production plant is located in more than one municipality,
12 the total payment under subd. 1. shall be apportioned according to the amounts
13 shown on the preceding December 31 for the production plant in the account
14 described in par. (a) for “production plant exclusive of land” within each municipality
15 for all public utilities except qualified wholesale electric companies, as defined in s.
16 76.28 (1) (gm), and except wholesale merchant plants, as defined in s. 196.491 (1) (w),
17 or according to the value as reported to the department of revenue under par. (a) of
18 the production plant within each municipality for each qualified wholesale electric
19 company. The payment to each municipality under this subdivision shall be no less
20 than \$15,000 annually.

21 ***-1321/2.9*** SECTION 2285. 79.04 (2) (a) of the statutes is amended to read:

22 79.04 (2) (a) Annually, the department of administration, upon certification by
23 the department of revenue, shall distribute from the shared revenue account to any
24 county having within its boundaries a production plant or a general structure,
25 including production plants and general structures under construction, used by a

SENATE BILL 55**SECTION 2285**

1 light, heat or power company assessed under s. 76.28 (2) or 76.29 (2), except property
2 described in s. 66.0813 unless the production plant is owned or operated by a local
3 governmental unit that is located outside of the municipality in which the production
4 plant is located, or by an electric cooperative assessed under ss. 76.07 and 76.48,
5 respectively, or by a municipal electric company under s. 66.0825 an amount
6 determined by multiplying by 6 mills in the case of property in a town and by 3 mills
7 in the case of property in a city or village the first \$125,000,000 of the amount shown
8 in the account, plus leased property, of each public utility except qualified wholesale
9 electric companies, as defined in s. 76.28 (1) (gm), and except wholesale merchant
10 plants, as defined in s. 196.49 (1) (w), on December 31 of the preceding year for either
11 “production plant, exclusive of land” and “general structures”, or “work in progress”
12 for production plants and general structures under construction, in the case of light,
13 heat and power companies, electric cooperatives or municipal electric companies, for
14 all property within the municipality in accordance with the system of accounts
15 established by the public service commission or rural electrification administration,
16 less depreciation thereon as determined by the department of revenue and less the
17 value of treatment plant and pollution abatement equipment, as defined under s.
18 70.11 (21) (a), as determined by the department of revenue plus an amount from the
19 shared revenue account determined by multiplying by 6 mills in the case of property
20 in a town, and 3 mills in the case of property in a city or village, of the total original
21 cost of production plant, general structures and work-in-progress less depreciation,
22 land and approved waste treatment facilities of each qualified wholesale electric
23 company, as defined in s. 76.28 (1) (gm), and each wholesale merchant plant, as
24 defined in s. 196.491 (1) (w), as reported to the department of revenue of all property
25 within the municipality. The total of amounts, as depreciated, from the accounts of

SENATE BILL 55

1 all public utilities for the same production plant is also limited to not more than
2 \$125,000,000. The amount distributable to a county in any year shall not exceed
3 \$100 times the population of the county.

4 ***-1744/3.31* SECTION 2286.** 79.06 (1) of the statutes is amended to read:

5 79.06 (1) MINIMUM PAYMENTS. (b) If the payments to any ~~municipality or county~~
6 under s. 79.03, ~~excluding payments under s. 79.03 (3e)~~, in 1986 or any year thereafter
7 are less than 95% of the combined payments to the ~~municipality or county~~ under this
8 section and s. 79.03, ~~excluding payments under s. 79.03 (3e)~~, for the previous year,
9 the ~~municipality or county~~ has an aids deficiency. The amount of the aids deficiency
10 is the amount by which 95% of the combined payments to the ~~municipality or county~~
11 under this section and s. 79.03, ~~excluding payments under s. 79.03 (3e)~~, in the
12 previous year exceeds the payments to the ~~municipality or county~~ under s. 79.03,
13 ~~excluding payments under s. 79.03 (3e)~~, in the current year.

14 (c) A ~~municipality or county~~ that has an aids deficiency shall receive a payment
15 from the amounts withheld under sub. (2) equal to its proportion of all the aids
16 deficiencies of ~~municipalities or counties~~ respectively for that year.

17 ***-1744/3.32* SECTION 2287.** 79.06 (2) of the statutes is amended to read:

18 79.06 (2) MAXIMUM PAYMENTS. (b) If the payments to a ~~municipality or county~~,
19 except any county in which there are no cities or villages, in any year exceed its
20 combined payments under this section and s. 79.03, ~~excluding payments under s.~~
21 ~~79.03 (3e)~~, in the previous year by more than the maximum allowable increase, the
22 excess shall be withheld to fund minimum payments in that year under sub. (1) (c).

23 (c) In this subsection, “maximum allowable increase” in any year means a
24 percentage such that the sum for all ~~municipalities or counties~~ respectively in that
25 year of the excess of payments under ss. 79.02 and 79.03, ~~excluding payments under~~

SENATE BILL 55**SECTION 2287**

1 ~~s. 79.03 (3e)~~, over the payments as limited by the maximum allowable increase is
2 equal to the sum of the aids deficiencies under sub. (1) in that year.

3 ~~*-1744/3.33*~~ **SECTION 2288.** 79.065 of the statutes is created to read:

4 **79.065 Municipal growth sharing. (1) DEFINITIONS.** In this section:

5 (a) “Aidable expenditures” means a municipality’s expenditures for general
6 government operations; law enforcement, fire protection, ambulance services, and
7 other public safety services; and health and human services. “Aidable expenditures”
8 does not include a municipality’s expenditures for highway maintenance,
9 administration, or construction; road-related facilities or other transportation; solid
10 waste collection and disposal or other sanitation; culture; education; parks and
11 recreation; conservation; or development.

12 (b) “Entitlement” means the product of aidable expenditures and tax base
13 weight.

14 (c) “Full valuation” means the full value of all taxable property of a
15 municipality for the preceding year as equalized for state tax purposes, including the
16 value increments under s. 66.1105, the environmental remediation value increments
17 under s. 66.1106 for municipalities that create the environmental remediation tax
18 incremental district, and the value of real estate assessed under s. 70.995, but
19 excluding the full value of property that is exempt under s. 70.11 (39) as determined
20 under s. 79.095 (3).

21 (d) “Growth-sharing region” means “growth-sharing region” as defined by
22 rule, no later than September 1, 2001, by the department of revenue so that this state
23 is divided into at least 7 but not more than 25 growth-sharing regions.

24 (e) “Sales tax” means the tax imposed under ss. 77.52 and 77.53.