

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-2916/1	Introduction Number SB-122
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Subject
 Exempting from property tax barns and agricultural outbuildings

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input checked="" type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Special districts</u> <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	Conservation Fund (State forestry taxes)

Agency/Prepared By DOR/ Blair Kruger (608) 266-1310	Authorized Signature Dennis Collier (608) 266-5773	Date 5/10/01
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Fiscal Estimate Narratives
DOR 5/10/01

LRB Number 01-2916/1	Introduction Number SB-122	Estimate Type Original
Subject Exempting from property tax barns and agricultural outbuildings		

Assumptions Used in Arriving at Fiscal Estimate

The bill exempts from property tax a barn or agricultural outbuilding if:

1. The owner files an affidavit with the taxation district assessor attesting that the structure was built before 1950,
2. The structure is unused, used for an agricultural purpose, or used for a nonagricultural purpose that generates less than \$2,000 annually,
3. The structure is not used as a residence, and
4. The structure satisfies State Historical Society criteria regarding the structure's age, condition, use, attributes, and significance to the rural landscape.

The exemption under the bill applies to barns and outbuildings only; the land underlying the structures remains taxable.

The bill also provides a penalty of \$10 for every \$1,000 of property taxes avoided by filing a false affidavit.

Local Fiscal Effect. Based on a survey of assessors, barns built before 1950 have values ranging up to about \$10,000. Assuming an average value of \$5,000 per barn, at the 1999 town tax rate of \$17.77 per \$1,000 of value, about \$90 ($\$5,000 \times 0.01777$) in property taxes would be shifted to owners of other taxable property for each barn exempted under the bill.

The State Historical Society has not yet specified criteria for exemption under the bill so the number of barns and agricultural outbuildings that would be exempted cannot be determined.

Taxation district assessors would incur the costs of processing and storing affidavits filed by owners of barns and agricultural outbuildings under the bill.

State Fiscal Effect. Based on the assumptions above, state forestry taxes would decrease by about \$1 ($\$5,000 \times 0.0002$) for each barn exempted under the bill.

The bill would require minor revisions to the Wisconsin Property Assessment Manual. The cost of the revisions would be absorbed.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Exempting from property tax barns and agricultural outbuildings			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S (Conservation)			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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