

**CLUB WEST**

A Division of Valley Sports Club, Inc.

Testimony to the Assembly Ways and Means Committee  
May 9, 2001

Valeri Kelly  
Club West  
Neenah, Wisconsin

I'm here today to voice my opposition to AB 250. As you know, Wisconsin is the fourth most taxed state in our nation and our high property taxes are largely to blame. I'm here to ask you to safeguard our communities, our businesses and all tax paying citizens.

Why are we here today? State assessors are moving to review the YMCA's tax-exempt status, and the Y's don't like the scrutiny. You don't have to ask me why; I'm seeing it firsthand in the Fox Valley. I manage Club West, a fitness facility in Neenah. I've watched in horror as the Y announced plans to build 2 new \$13 million dollar fitness facilities in Greenville and Kimberly. I live there and I can tell you, these are not impoverished areas in need of subsidized fitness memberships in multi-million dollar structures that include "state-of-the-art adult fitness facilities."

The Y's claim that if they weren't offering the services they do, communities would be forced to raise more taxes to provide those services. **How can they seriously make that claim when so many of their resources are going to these commercial operations that serve the same people as existing tax paying businesses?**

We're here today because local assessors are rightly questioning the use of tax dollars for nonprofit run businesses. The YMCAs are seeking special protection that would allow them to continue to run their businesses—and any other business they choose—devoid of local scrutiny. Today it's fitness facilities, soccer and hockey arenas, karate and dance studios. Tomorrow it could be golf courses, water parks and restaurants. With their tax-exempt status and many other benefits, they can afford to enter even businesses with traditionally slim profit margins and still recognize a healthy profit.

I'm asking you to stop this tax subsidy for my business competitor. Under current law, assessors can give YMCAs full or partial exemptions based on their truly charitable programs. Where the YMCA operates businesses that compete with existing tax paying businesses, assessing property taxes is fair and just. Let's use our tax dollars to fund operations that truly fill a community need—not those that run duplicate commercial businesses already functioning in our communities.

If we open this floodgate, who will be left to pay taxes? Thank you.

# GOLD'S GYM®

2700 West College Avenue • Appleton, Wisconsin 54914 • (920) 733-GOLD (4653) • Fax (920) 733-4582

5/9/01

The reason I'm here today I'm here today to voice my opposition to AB 250.

I currently own and manage a Gold's Gym in Appleton, WI. The gym itself was built for approximately \$1.5 million and is absolutely beautiful. It has all the necessities a gym could ask for (including FREE daycare for our members). Currently in the Fox valley area, there are plans to build 2 new YMCA's for approximately \$13 million each. \$13 MILLION ??? These facilities are to be built in areas where family incomes are significantly above average and any types of subsidies would be least needed. Do the Y's have the community's best interest at hand? NOT ANYMORE. It has been expressed by the YMCA organization that health club owners are greedy, but it really says something when our local YMCA director's annual salary is more than the combined total of 4 managers of local health clubs. A couple of months ago, there was a ¼ page photo in the local paper showing how members of the YMCA could now check their stock quotes over the internet while cycling.

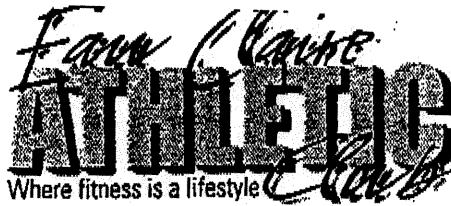
Personally, I think the youth programs the YMCA provides are some of the best. I also like the concept of a family orientated facility. But the most significant part of their services is no different from what I provide and I pay property and income taxes.

The simple fact is the YMCA's run a business. They operate their business the same way any other businesses do – by competing with local competition. They advertise their services. They target their market. They receive the same community services as local businesses. All this, and they still feel they need a tax-exempt status. If the YMCA's want to be seen in the public eye as a benevolent, charitable organization – it is really pretty simple: PAY YOUR TAXES! Let the communities benefit from the extra income you would provide.

John Kennedy

Gold's Gym





3656 Mall Dr.  
Eau Claire, WI 54701  
(715) 833-2201  
Fax (715) 833-1131

**Facsimile Transmittal Sheet**

To: Rep M. Lehman From: Jeff Spitzer

Company: \_\_\_\_\_ Date: 5/10/01

Phone Number: \_\_\_\_\_ Pages (including cover): \_\_\_\_\_

Fax Number: 608 292-3650 Re: AB250

Urgent  For Review  Please Comment  Please Reply

Notes/Comments:

Set attached



May 10, 2001

Mr. Michael Lehman, Chairman  
Ways & Means committee

Dear Rep. Lehman,

Thank you for the opportunity to present my testimony yesterday regarding AB250. I have to apologize for my confusion when you mentioned my "organizations" involvement four years ago with the hospital/fitness/exempt issue.

I happen to be an independent facility and until this issue have not been involved in an organized attempt of affecting legislative process regarding fitness. Although I support the previous review of hospital exempt status, it was not in my "back-yard" and consequently led to very minimal involvement. On the other hand, you and I have met through the Chippewa Valley Rally process which possibly led to your comment of "my organization's involvement."

I am involved in this YMCA issue due to local, state and national implications. I detest the practice of manipulation, deceit and providing of skewed information to advance any cause. What I saw yesterday by a supposedly "Christian" organization was reprehensible and very threatening to me by its' attempt to thwart an orderly legislative process meant to treat parties fairly. Fortunately, the committee's line of questioning uncovered the faulty position of being "under attack" and attempting to play upon the sympathies of human nature.

The reality is the YMCA is a huge enterprise that wants to protect and expand its' mission as they see fit. Thanks for the attention to are paying to this matter. The implications are enormous.

Sincerely,

Jeff Sauter  
Managing Partner

3656 Mall Drive ▪ Eau Claire, WI 54701 ▪ (715) 833-2201 ▪ Fax (715) 833-1131  
[www.keepingfit.org](http://www.keepingfit.org)

ADDITIONAL QUESTIONS

	YES	
9 Did your organization receive contributions over \$100,000 during the fiscal year? If so, you <b>must</b> file an audited financial statement and the opinion of an independent certified public accountant on the financial statement.	X	
10 Have you attached a list of all officers, directors, trustees and the principal salaried employees? Include their name, address, title, <b>compensation</b> and the date their term ends.	X	
11 Did your organization use a professional fund-raiser or fund-raising counsel or did your organization pay a person to solicit contributions, other than a salaried officer or employee of your organization? <b>If yes, indicate name and address.</b> DON TIERNEY 817 BRADLEY AVENUE	X	
12 Has there been a <b>name change</b> of the organization, <b>change of address</b> of the principal office or any branch office located in Wisconsin, <b>change in the accounting period</b> , change in the names of the persons within the organization who have final authority for custody or final distribution of contributions, or change in the articles, by-laws or statement of purpose? If yes, and not already submitted within 30 days, as required, give changes and attach document.		X
13 Is your organization authorized by any other governmental authority to solicit contributions? If yes, provide name and address of governmental authority.		X
14 Has your organization ever had its authority to solicit contributions denied, suspended, revoked or enjoined by a court or other governmental authority? <b>If yes, attach an explanation.</b>		X
15 Do you intend to accumulate an increasing surplus in net worth, rather than spend current revenue on the organization's stated purpose? <b>If yes, attach an explanation.</b>		X
16 Did the organization make a grant, award, or contribution to any organization in which any of its officers or directors hold an interest; or was it a party to any transaction in which any of its directors, trustees or officers has a material financial interest; or did any officer or director receive anything of value not reported above as compensation? <b>If yes to any of the above, attach an explanation.</b>		X
17 Does your organization solicit contributions under any name other than the name listed in the first blank space on the reverse side. <b>If yes, list here any additional name(s).</b>		X

DESCRIBE THE CHARITABLE PURPOSE OR PURPOSES FOR WHICH CONTRIBUTIONS WILL BE USED OR ATTACH A DOCUMENT WHICH PROVIDES SUCH INFORMATION. YOUNG MEN'S CHRISTIAN ASSOCIATION OF EAU CLAIRE IS A BENEVOLENT, CHARITABLE AND REFORMATORY ASSOCIATION FOR THE IMPROVEMENT OF THE SPIRITUAL, MENTAL SOCIAL AND PHYSICAL CONDITION OF YOUTH

CERTIFICATION — TWO DIFFERENT SIGNATURES ARE REQUIRED BY LAW

We swear and affirm that we have reviewed this report, including the accompanying schedules and statements, and to the best of our knowledge the information furnished is true, correct and complete.

Date 5/15/97	Title Executive Director	Signature of President or Authorized Officer <i>John P. Stief</i>
Date 5/14/97	Title FINANCE DIRECTOR	Signature of Chief Fiscal Officer <i>Carin R. Amstrong</i>

DLRE-2237

**ADDITIONAL QUESTIONS**

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9 Did your organization receive contributions over \$100,000 during the fiscal year? If so, you must file an audited financial statement and the opinion of an independent certified public accountant on the financial statement.	X
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**CERTIFICATION — TWO DIFFERENT SIGNATURES ARE REQUIRED BY LAW**

We swear and affirm that we have reviewed this report, including the accompanying schedules and statements, and to the best of our knowledge the information furnished is true, correct and complete.

Date 5/14/98	Title Executive Director	Signature of President or Authorized Officer <i>John R. Schaefer</i>
Date 5/14/98	Title FINANCE DIRECTOR	Signature of Chief Fiscal Officer <i>Kevin R. Armstrong</i>

DLRE2-2237

# State of Wisconsin Department of Regulation & Licensing

## ADDITIONAL QUESTIONS

	YES	NO
9. Did your organization receive contributions over \$100,000 during the fiscal year? If so, you must file an audited financial statement and the opinion of an independent certified public accountant on the financial statement.	X	
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We swear and affirm that we have reviewed this report, including the accompanying schedules and statements, and to the best of our knowledge the information furnished is true, correct and complete.

Date 5/14/99	Title EXECUTIVE DIRECTOR	Signature of President or Authorized Officer
Date 5/13/99	Title FINANCE DIRECTOR	Signature of Chief Fiscal Officer Carin R. Armstrong

# State of Wisconsin Department of Regulation & Licensing

## ADDITIONAL QUESTIONS

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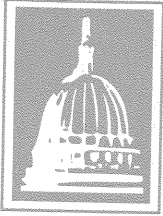
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### CERTIFICATION - TWO DIFFERENT SIGNATURES ARE REQUIRED BY LAW

We swear and affirm that we have reviewed this report, including the accompanying schedules and statements, and to the best of our knowledge the information furnished is true, correct and complete.

Date 5/12/00	Title EXECUTIVE DIRECTOR	Signature of President or Authorized Officer <i>Mark Attala</i>
Date 5/12/00	Title FINANCE DIRECTOR	Signature of Chief Fiscal Officer <i>Carri R. Smith</i>





# Wisconsin Merchants Federation

*"The Voice Of Wisconsin Retailing"*

1 East Main Street, Suite 305  
Madison, Wisconsin 53703  
Telephone 608/257-3541  
Fax 608/257-8755  
E-mail wimerfed@execpc.com

## MEMORANDUM

### OFFICERS

**Chairman of  
The Board**  
Alan Rudnick  
Rudnick Jewelers  
Sheboygan

### EXECUTIVE STAFF

**President/CEO**  
Chris C. Tackett

**Sr. Vice President  
& General Counsel**  
Douglas Q. Johnson

**V.P./Operations**  
Mary C. Kaja

**TO:** All Wisconsin State Legislators

**FROM:** Chris C. Tackett, President & CEO  
Douglas Q. Johnson, Sr. V.P./General Counsel

**DATE:** May 11, 2001

**RE:** SB98/AB250: "The Rest of the Story"

Attached please find more background material relating to the above proposals to grant a blanket property tax exemption to YMCA's...regardless of their commercial activities. More will follow.

CCT:DQJ:mb  
Att.

Ruth Sova  
1218 Noridge Trail  
Port Washington, WI 53074-1367  
Phone 262-284-2542  
Fax 262-284-7039  
Email [ruthsova@ruthsova.com](mailto:ruthsova@ruthsova.com)

My name is Ruth Sova, president of the Aquatic Therapy & Rehab Institute (ATRI). Three years ago I met a child who I thought could benefit from aquatic therapy but I had no local pool to take him to. Kevin has Kaufin Lawry Syndrome, which is a form of mental retardation.

I went to the local school district to see if we could use its pool. There was a bureaucratic procedure to follow but our use was approved. The school district cares about "community". Kevin, his Dad and I went twice but the water was too cold for Kevin.

The only other public pool at the time was a whirlpool at Premier Fitness. I knew the water would be too warm but I asked the owner if we could use the pool. With no hesitation, Mr. Calnin said yes. Kevin and his father (who accompanied Kevin) did not have to join the club even though they used it more than some members. To accommodate us Mr. Calnin lowered the whirlpool temperature each time Kevin and I met. He also closed the pool to members so we could have private sessions. Premier Fitness cares about "community."

Kevin's therapeutic program was outgrowing the whirlpool at the same time a Y (with a pool) was being built in our community. I contacted them to see if I could take Kevin there. After 4 months of never having a phone call returned, Kevin's mother and I pulled strings so I could finally talk to someone at the Y. They told me that Kevin and his father (who just sat and watched our sessions) would have to join the Y.

When I pressed for free use the Y said Kevin's parents would have to take in their federal tax return to show they were poor enough to qualify for free membership. Both of Kevin's parents work to save money because Kevin will need care his whole life ... past the time they're able to offer it. Their income was too much for Kevin to use the Y pool free so his family had to join. Does the Y care about "community"? It doesn't seem to.

A private for-profit company gave the most to a special needs child in our community. The YMCA, a non-profit corporation, gave the least.

Ruth Sova

Note: Ruth is a nationally renowned therapist with 12 published books in the profession.

To the Assembly Ways and Means Committee  
May 9, 2001

From Dave Calnin, owner of Premier Fitness

Hello. My name is David Calnin. In 1995, I decided to realize my dream of opening a health club. I put my life savings on the line. I pulled in favors, borrowed from banks, friends and family, and in January of 1996, I opened Premier Fitness in Saukville, Wisconsin. I was happy to earn the community improvement award from the Village of Saukville that year for taking a vacant building and turning it into a thriving business. After a couple of years, I married and my wife joined me in the business. We operated profitably for the next several years. Then came the YMCA.

When I heard that a YMCA would likely be coming to the area, I was honestly excited. I knew that the Y specialized in youth programs, and I was eager to work side-by-side with this new facility. I invited Patric Danahaer from the Saukville Y to lunch so I could speak to him of my interest in working directly with the Y. We had that lunch, but I never heard from the YMCA again. It soon became clear that the Y had no intention of working with me and actually intended to compete directly with me.

The Y started telling the community that it would be bringing many badly needed programs to the area like child-care, aerobics, spinning programs, cardio and weight lifting equipment, massage therapists, yoga programs and others. All of which I already offered.

The Y claimed that it did not compete with local businesses, yet one of my members, placing a contracting bid for the new YMCA, reported to me that the Y had all of my recent ads posted on their office wall. If they didn't intend to compete, why monitor my advertising?

I did research to find just how big an advantage this new tax free facility would have. I found that for every \$75 the Y spent I would need to spend over \$100.00 to compete. The Y pays no property tax for the building they occupy or for the equipment within it. They pay no sales tax on the equipment it purchases and no income tax. The Y gets reduced rates from the post office for its direct mail advertising. The Y can use volunteers to staff many areas but because of fair labor standards, I cannot, and the list goes on.


I still believed that my facility could survive because I was willing to fight for it. But last year after a taking a long look at my books, and a tearful discussion with my wife, we came to the painful realization that our life savings was gone and our business would need to close. The family we had intended on starting would have to wait.

I may be one of the first clubs in Wisconsin that these new multimillion dollar YMCA's have shut down, but I guarantee that I will not be the last. In the future you will see not only health clubs going out of business, but you will see day care centers, dance studios and martial arts programs closing, because these are all areas that the YMCA is entering into.

Many people come before you asking for money for important programs. My business paid taxes but was put out of business by a business that pays none. When relocating my business, I was sure to research a community that had no YMCA and had no plans for one. It becomes clear that the state is not only losing revenue from businesses like mine that closed, but also from other businesses that will not open in the future because a tax free YMCA is too difficult to compete with.

You have a difficult job determining who gets money and who doesn't. But if my figures are correct, the YMCA in my community would pay \$150,000 a year if it were taxed as my business was. That's one Y in one community. Imagine the lost revenue statewide. Thank You.

Sincerely,



David Calnin

NOTE: This testimony from the YWCA asks for similar tax exemption as YMCA. \*

Testimony of Eileen Mershart and Elaine Maly

Regarding

AB 250

Before The

Assembly Ways & Means Committee

May 9, 2001

Mr. Chairman and other members of the Committee, we are pleased to appear before you today as you discuss Assembly Bill 250; legislation that would amend sections 70.11(10) and 70.11(12) (a) of the statutes.

We are Eileen Mershart, Executive Director of the YWCA of Madison, and Elaine Maly, Chief Development and Marketing Officer for the YWCA of Greater Milwaukee.

We are appearing on behalf of the eight Young Women's Christian Associations (YWCAs) located throughout Wisconsin. In addition to our organizations in Madison and Milwaukee, we have active YWCAs in LaCrosse, Green Bay, Racine, Janesville, Waukesha, and Wausau.

As you have already heard, this legislation would change the tax status of the Young Men's Christian Associations (YMCAs) by removing them from section 70.11 (10) of the statutes and inserting them in section 70.11 (12) (a) of the statutes.

While you will hear from many different people today representing many different organizations, we are unique among your speakers because we represent the *only* other organizations that are affected by section 70.11 (10) of the statutes. That section of the statutes currently refers *only* to YMCAs and YWCAs. We were paired together in section 70.11 (10) of the statutes because we were thought of as brother and sister organizations. When originally placed in that section of the statutes, our two organizations were quite different from the organizations we know today as YMCAs and YWCAs. We were given the property tax exemption in section 70.11 (10) primarily to protect our summer camp properties and the programs that operated on those properties.

\* There are 30,000 nonprofits in Wisconsin ... who's next?

-over-

As the representatives of the YMCAs will testify today, their organizations are quite different from the organizations which were in existence when this section of the statutes was enacted into law. So too are we different. However, we are also very similar to the YWCAs of many years ago in that we still exist to serve the needs of women, children, families and our communities. We are non-profit institutions, with none of our members receiving profit from our operations.

With this history in mind, we appear before you today to ask that if the tax status of the YMCAs is changed, our tax status also be changed. We hope that our request is as logical to you as it is to us.

It makes no sense to us to take one of the two entities that are covered by section 70.11 (10) of the statutes and grant it a broader tax exemption while leaving the other (us) with a lesser exemption.

It is our understanding that legislative supporters of our position have asked the Legislative Fiscal Bureau to determine if such a change would have any fiscal impact on the state and that the response from the Legislative Fiscal Bureau is that granting us the same status as the YMCAs would have *no* fiscal impact.

In summary, we appear before you today to ask you to treat the YWCAs in a fair and equitable manner when considering this legislation. Therefore, we ask that we be given the same status as YMCAs in section 70.11 (12) (a) of the statutes...just as we were given equal status to the YMCAs in section 70.11 (10) of the statutes. Anything less would be discriminatory and unfair.

Thank you for your consideration and for the wonderful support you have given our organizations throughout the years. You have our commitment to continue to serve our communities in a manner which will enhance the quality of life in Wisconsin.

We would be happy to answer any questions from the Committee.



# Wisconsin Merchants Federation

*"The Voice Of Wisconsin Retailing"*

1 East Main Street, Suite 305  
Madison, Wisconsin 53703  
Telephone 608/257-3541  
Fax 608/257-8755  
E-mail wimerfed@execpc.com

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## FAX TRANSMISSION COVER SHEET

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Date: 6-19-'01

To: John Matthews

FAX:

Subject:

Sender: Doug Johnson

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YOU SHOULD RECEIVE ( ) PAGE(S), INCLUDING THIS COVER SHEET. IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL.

NOTES:

When do we discuss a  
compromise re: health clubs &  
YMCA's?

Thank you.

cc: Rep. Mickey Lehman

**307.115 Property of nonprofit corporations held for public parks or recreation purposes.**

(1) Subject to approval by the appropriate granting authority under subsection (4) of this section, the following real or personal property owned or being purchased under contract by any nonprofit corporation meeting the requirements of subsection (2) of this section shall be exempt from taxation:

(a) The real or personal property, or proportion thereof, as is actually and exclusively occupied or used for public park or public recreation purposes.

(b) The real or personal property, or proportion thereof, as is held for public parks or public recreation purposes if the property is not used for the production of income, for investment, or for any trade or business or commercial purpose, or for the benefit or enjoyment of any private stockholder or individual, but only if the articles of incorporation of the nonprofit corporation prohibit use of property owned or otherwise held by the corporation, or of proceeds derived from the sale of that property, except for public park or public recreation purposes.

(2) Any nonprofit corporation shall meet the following requirements:

(a) The corporation shall be organized for the principal purpose of maintaining and operating a public park and public recreation facility or acquiring interest in land for development for public parks or public recreation purposes;

(b) No part of the net earnings of the corporation shall inure to the benefit of any private stockholder or individual; and

(c) Upon liquidation, the assets of the corporation shall be applied first in payment of all outstanding obligations, and the balance remaining, if any, in cash and in kind, shall be distributed to the State of Oregon or to one or more of its political subdivisions for public parks or public recreation purposes.

(3) If any property which is exempt under this section subsequently becomes disqualified for such exemption or the exemption is not renewed as provided in subsection (4) of this section, it shall be added to the next general property tax roll for assessment and taxation in the manner provided by law.

(4)(a) Real or personal property shall not be exempt under this section except upon approval of the appropriate granting authority obtained in the manner provided under this subsection.

(b) Before any property shall be exempt under this section, on or before April 1 of any year the corporation owning or purchasing such property shall file an application for exemption with the county assessor. The provisions of ORS 307.162 shall apply as to the form, time and manner of application. Within 10 days of filing in the office of the assessor, the assessor shall refer each application for classification to the granting authority, which shall be the governing body of a county for property located outside the boundaries of a city and the governing body of the city for property located within the boundaries of the city. Within 60 days thereafter, the application shall be granted or denied and written notice given to the applicant and to the county assessor. In determining whether an application made for exemption under this section should be approved or disapproved, the granting authority shall weigh the benefits to the general welfare of granting the proposed exemption to the property which is the subject of the application against the potential loss in revenue which may result from granting the application.

(c) The granting authority shall not deny the application solely because of the potential loss in revenue if the granting authority determines that granting the exemption to the property will:

(A) Conserve or enhance natural or scenic resources;

(B) Protect air or streams or water supplies;

(C) Promote conservation of soils, wetlands, beaches or tidal marshes;



- (D) Conserve landscaped areas which enhance the value of abutting or neighboring property;
- (E) Enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, natural reservations, sanctuaries or other open spaces;
- (F) Enhance recreation opportunities;
- (G) Preserve historic sites;
- (H) Promote orderly urban or suburban development;
- (I) Promote the reservation of land for public parks, recreation or wildlife refuge purposes; or
- (J) Affect any other factors relevant to the general welfare of preserving the current use of the property.

(d) The granting authority may approve the application for exemption with respect to only part of the property which is the subject of the application. However, if any part of the application is denied, the applicant may withdraw the entire application.

(e) The exemption shall be granted for a 10-year period and may be renewed by the granting authority for additional periods of 10 years each at the expiration of the preceding period, upon the filing of a new application by the corporation with the county assessor on or before April 1 of the year following the 10th year of exemption. The assessor shall refer the application to the governing body as provided in paragraph (b) of this subsection, and within 30 days thereafter, the governing body shall determine if renewing the exemption will continue to serve one of the purposes of paragraph (c) of this subsection. Within 30 days after referral, written notice shall be given to the applicant and to the county assessor of the determination made by the governing body.

(5) Any nonprofit corporation aggrieved by the refusal of the granting authority to grant or renew an exemption under subsection (4) of this section may, within 60 days after written notice has been sent to the corporation, appeal from the determination of the granting authority to the Oregon Tax Court. The appeal should be perfected in the manner provided in ORS 305.560. The provisions of ORS 305.405 to 305.494 shall apply to the appeals. [1971 c.584 s.1; 1973 c.214 s.1; 1979 c.689 s.5; 1987 c.416 s.1; 1995 c.79 s.118; 1997 c.325 s.18]

### Fiscal Estimate - 2001 Session

Original       Updated       Corrected       Supplemental

LRB Number **01-2676/1**      Introduction Number **AB-250**

**Subject**  
 Property tax exemption for YMCA

**Fiscal Effect**

**State:**  
 No State Fiscal Effect  
 Indeterminate  
 Increase Existing Appropriations       Increase Existing Revenues  
 Decrease Existing Appropriations       Decrease Existing Revenues  
 Create New Appropriations  
 Increase Costs - May be possible to absorb within agency's budget  
 Yes       No  
 Decrease Costs

**Local:**  
 No Local Government Costs  
 Indeterminate  
 1.  Increase Costs      3.  Increase Revenue  
 Permissive  Mandatory       Permissive  Mandatory  
 2.  Decrease Costs      4.  Decrease Revenue  
 Permissive  Mandatory       Permissive  Mandatory  
 5. Types of Local Government Units Affected  
 Towns       Village       Cities  
 Counties       Others  
 School Districts       WTCS Districts

**Fund Sources Affected**      **Affected Ch. 20 Appropriations**  
 GPR     FED     PRO     PRS     SEG     SEGS    Conservation Fund

<b>Agency/Prepared By</b> DOR/ Rebecca Boldt (608) 266-6785	<b>Authorized Signature</b> Dennis Collier (608) 266-5773	<b>Date</b> 4/5/01
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## Fiscal Estimate Narratives

DOR 4/5/01

LRB Number 01-2676/1	Introduction Number AB-250	Estimate Type Original
Subject Property tax exemption for YMCA		

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, property located in towns, not exceeding 40 acres, owned by the Young Men's Christian Associations (YMCA) used for summer camps are exempt from property taxation. Also under current law, property, not exceeding 10 acres, owned and used exclusively by educational or benevolent associations are exempt from property taxation.

The bill would exempt all property owned by the YMCA. The exemption would be limited to 10 acres of property located inside the limit of any incorporated city or village and to 40 acres of unincorporated property.

According to the YMCA Management Resource Center, there are 44 YMCA facilities in Wisconsin operating on YMCA-owned property. Currently these facilities are exempt as property owned and exclusively used by a benevolent organization. Thus, the bill would have no fiscal effect on property owned and used by the YMCA.

It is assumed that all property currently owned by the YMCA in the state is exclusively used by the organization. However, to the extent that the bill does not require that the YMCA exclusively use the exempt property, the bill would also exempt all property the YMCA may acquire in the future that would not be exclusively used by the organization. To the extent that property that would be taxable under current law becomes exempt, the bill would result in a property tax shift from YMCA property to other property taxpayers. State forestation tax revenue would decrease by a minor amount.

The bill would require minor modification to the Property Assessment Manual for Wisconsin Assessors, the costs of which can be absorbed.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>01-2676/1</b>		Introduction Number <b>AB-250</b>	
<b>Subject</b>			
Property tax exemption for YMCA			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		\$	\$
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		\$	\$
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$See text of fiscal note.	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DOR/ Rebecca Boldt (608) 266-6785		Dennis Collier (608) 266-5773	4/5/01