

**2003 DRAFTING REQUEST**

**Senate Substitute Amendment (SSA-SB203)**

Received: **03/12/2004**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **Mary Lazich (608) 266-5400**

By/Representing: **ann**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax - sales**  
**Tax - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Lazich@legis.state.wi.us**

Carbon copy (CC:) to: **joseph.kreye@legis.state.wi.us**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Professional baseball park district

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**Instructions:**

See Attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 03/12/2004	jdyer 03/12/2004		_____			
/1			jfrantze 03/12/2004	_____	mbarman 03/12/2004	mbarman 03/12/2004	

FE Sent For:

**<END>**

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/?	jkreye	1/3/12 jld	10/12/12	10/19/12			

FE Sent For:

<END>

June - July

incorporate Sen Hepp's amendment w/ the substituted

└ credit → 2788/2  
requirements

— keep the sunset date as in original bill

5 0473/1

stays

SENATE SUBSTITUTE AMENDMENT,  
TO 2003 SENATE BILL 203

INSERT-2 ✓

D-N NOW

and amending the finances

re you

1 AN ACT to amend 229.685 (1) and 229.685 (2); and to create 229.686 of the  
2 statutes; relating to: restricting the use of sales and use tax revenue of a local  
3 professional baseball park district, and imposing a fee on the transfer of a  
4 professional baseball franchise.

INSERT BY A&B ✓

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

5 SECTION 1. 229.685 (1) of the statutes is amended to read:  
6 229.685 (1) The district board shall maintain a special fund into which it  
7 deposits only the revenue received from the department of revenue, that is derived  
8 from the taxes imposed under subch. V of ch. 77, and may shall use this revenue only  
9 exclusively for purposes directly related to the operation of existing baseball park  
10 facilities and the corresponding debt retirement.

11 SECTION 2. 229.685 (2) of the statutes is amended to read:

1           229.685 (2) If the district board determines that the revenues in the special  
2 fund under this section exceed current operating expenses for the operation of  
3 baseball park facilities, the district board shall apply the excess to either fund a fund  
4 for maintenance costs and capital improvements to existing baseball park facilities  
5 or to retire bonds issued for the initial construction of baseball park facilities, and  
6 any bonds issued to fund or refund those bonds, prior to their maturity. As soon as  
7 practicable after the retirement of all bonds issued for the initial construction of  
8 baseball park facilities and all bonds issued to fund or refund those bonds and after  
9 funding a fund for maintenance costs and capital improvements to existing baseball  
10 park facilities sufficiently to meet any maintenance obligation or any such capital  
11 improvement obligations between the district and any professional baseball team  
12 using baseball park facilities constructed under this subchapter as a home stadium,  
13 the district board shall make a certification to the department of revenue to that  
14 effect.

15           **SECTION 3.** 229.686 of the statutes is created to read:

16           **229.686 Professional baseball franchise transfer fee.** There is imposed  
17 a fee on the seller of a professional baseball franchise at the rate of 5 percent on the  
18 sales price of the franchise that is sold or otherwise transferred to another person or  
19 group of persons, if, prior to the sale, the professional baseball franchise uses the  
20 baseball park facilities of the district as its home park. The total amount of any fee  
21 imposed under this section shall be paid to the district and the district shall use the  
22 amount only to retire any bonds issued for the initial construction of baseball park  
23 facilities or any bonds issued to fund or refund those bonds, prior to their maturity,  
24 except that if all such bonds have been retired or have matured, as appropriate, the

1 district may use any fee amount collected under this section for the operation and  
2 maintenance of the baseball park facilities.

3 (END)

3  
INSERT  
3-2 ✓

d-note  
↓

# 2003 SENATE BILL 203

June 23, 2003 - Introduced by Senators CARPENTER, ERPENBACH, STEPP, HANSEN and BRESKE, cosponsored by Representatives CULLEN, LADWIG, J. LEHMAN, TURNER and KERKMAN. Referred to Committee on Homeland Security, Veterans and Military Affairs and Government Reform.

INSERT  
1-2 ✓

1 AN ACT to amend 77.707 (1) of the statutes; relating to: the sunset of local  
2 professional baseball park district sales and use taxes,

### *Analysis by the Legislative Reference Bureau*

Under current law, a local professional baseball park district (district) may collect sales and use taxes from the sale of tangible personal property and taxable services in the district. The district may not collect such taxes after the calendar quarter in which the district certifies to the Department of Revenue that the district has retired all of its bonds. Under this bill, the district may not collect sales and use taxes in the district after the calendar quarter ending on December 31, 2014.

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

INSERT  
1-4B

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

3 SECTION 1. 77.707 (1) of the statutes is amended to read:  
4 77.707 (1) Retailers and the department of revenue may not collect a tax under  
5 s. 77.705 for any local professional baseball park district created under subch. III of  
6 ch. 229 after the calendar quarter during which the local professional baseball park





**SENATE BILL 203**

INSERT  
1-4 B  
CONF

1 ~~district board makes a certification to the department of revenue under s. 229.685~~  
2 (2) ending on December 31, 2014, except that the department of revenue may collect  
3 from retailers taxes that accrued before that calendar quarter and fees, interest and  
4 penalties that relate to those taxes.

5

(END)

end of insert

SENATE AMENDMENT,  
TO 2003 SENATE BILL 203

LPS - INSERTS  
OUT OF  
ORDER

INSERT  
1-4 A

1 At the locations indicated, amend the bill as follows:

2 1. Page 1, line 2: after "taxes" insert ", and restricting the use of sales and use  
3 tax revenue and auditing the finances of a local professional baseball park district".

4 2. Page 1, line 3: before that line insert:

5 ~~SECTION 1b.~~ SECTION 1b. 13.94 (1) (r) of the statutes is created to read:

6 13.94 (1) (r) Biennially conduct a financial audit of a district, as defined in s.  
7 229.65 (5), to determine whether the revenue from the taxes imposed by the district  
8 under subch. V of ch. 77 is being used for the purposes specified under s. 229.685 (1).

9 The legislative audit bureau shall file a copy of the audit report under this paragraph  
10 with the distributees specified in par. (b). *[Signature]*

11 3. Page 1, line 3: delete "~~SECTION 1~~" and substitute "~~SECTION 1b~~".

12 4. Page 2, line 4: after that line insert:

13 "~~SECTION 2b.~~ SECTION 2b. 229.685 (1) of the statutes is amended to read:

1       229.685 (1) The district board shall maintain a special fund into which it  
 2 deposits only the revenue received from the department of revenue, that is derived  
 3 from the taxes imposed under subch. V of ch. 77, and ~~may shall~~ use this revenue ~~only~~  
 4 exclusively for purposes directly related to the operation of baseball park facilities  
 5 and the corresponding debt retirement.

6       **SECTION 2d.** 229.685 (2) of the statutes is amended to read:

7       229.685 (2) If the district board determines that the revenues in the special  
 8 fund under this section exceed current operating expenses for the operation of  
 9 baseball park facilities, the district board shall apply the excess to either fund a fund  
 10 for maintenance costs and capital improvements to existing baseball park facilities  
 11 or to retire bonds issued for the initial construction of baseball park facilities, and  
 12 any bonds issued to fund or refund those bonds, prior to their maturity. As soon as  
 13 practicable after the retirement of all bonds issued for the initial construction of  
 14 baseball park facilities and all bonds issued to fund or refund those bonds and after  
 15 funding a fund for maintenance costs and capital improvements to existing baseball  
 16 park facilities sufficiently to meet any maintenance obligation or any such capital  
 17 improvement obligations between the district and any professional baseball team  
 18 using baseball park facilities constructed under this subchapter as a home stadium,  
 19 the district board shall make a certification to the department of revenue to that  
 20 effect.

21       **SECTION 2.** 229.79 of the statutes is amended to read:

22       **229.79 Budgets; rates and charges; audit.** A district shall adopt a calendar  
 23 year as its fiscal year for accounting purposes. The district board shall annually  
 24 prepare a budget for the district. Rates and other charges received by the district  
 25 shall be used for the general expenses and capital expenditures of the district and

INSERT  
3-2

✓

3-2

1 to pay interest, amortization, and retirement charges on bonds. A district shall  
2 maintain an accounting system in accordance with generally accepted accounting  
3 principles and shall have its financial statements and debt covenants audited  
4 annually by an independent certified public accountant and biennially by the  
5 legislative audit bureau under s. 13.94 (1) (r).

6

(END)

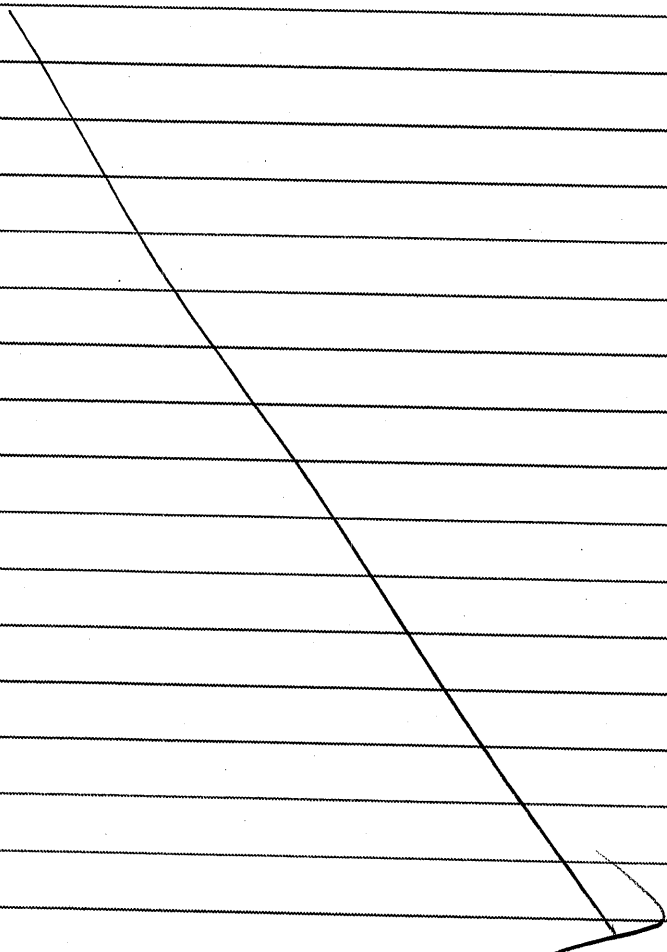
end  
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50473/1 day  
uh

Lazich

Senator Lazich:

Please note that, ~~under current law~~ if a court invalidates the sunset of the sales and use tax under s. 77.707(1), <sup>✓</sup> as amended by the substitute amendment, the court may sever s. 77.707(1) from the other provisions of the substitute amendment as provided under s. 990.001(11), <sup>✓</sup> which reads as follows:



97  
CS  
NO BOLD

990.001(1)

(1) Severability. The provisions of the statutes are severable. The provisions of any session law are severable. If any provision of the statutes or of a session law is invalid, or if the application of either to any person or circumstance is invalid, such invalidity shall not affect other provisions or applications which can be given effect without the invalid provision or application. "

please contact me if you have any questions.

VK

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

LRBs0473/1dn  
JK:jld:jf

March 12, 2004

Senator Lazich:

Please note that if a court invalidates the sunset of the sales and use tax under s. 77.707 (1), as amended by the substitute amendment, the court may sever s. 77.707 (1) from the other provisions of the substitute amendment as provided under s. 990.001 (11), which reads as follows:

“SEVERABILITY. The provisions of the statutes are severable. The provisions of any session law are severable. If any provision of the statutes or of a session law is invalid, or if the application of either to any person or circumstance is invalid, such invalidity shall not affect other provisions or applications which can be given effect without the invalid provision or application.”

Please contact me if you have any questions.

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