

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3663/1dn

MES:cjs:pg

November 6, 2003

Senator Lasee:

This bill is structured a little differently than your instructions requested, in that it requires a city or village that annexes town territory to make payments to the town from which the territory is annexed, instead of, in effect, allowing the town to collect the property taxes on the former town territory, but the economic effect is the same.

In addition, I believe that this construction makes less likely a constitutional challenge on the grounds that the bill, if enacted, would violate the public purpose doctrine by making the unit of government that imposes a tax different from the unit of government that spends the tax. See *State ex. rel. Wisconsin Dev. Authority v. Dammann*, 228 Wis. 147, 183 (1938) and *Buse v. Smith*, 97 Wis. 2d 550, 577 (1976). Please let me know if you have any questions about how I've drafted this bill.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: marc.shovers@legis.state.wi.us