

**2003 DRAFTING REQUEST**

**Senate Amendment (SA-SB44)**

Received: **05/14/2003**

Received By: **jkreye**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Olin**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax Credits (prop) - lottery**

Extra Copies:

Submit via email: **YES**

Requester's email:

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

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**Pre Topic:**

LFB:.....Olin -

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**Topic:**

Lottery and gaming credit certification; alternative 4

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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 05/14/2003	csicilia 05/14/2003		_____			
/1			pgreensl 05/14/2003	_____	sbasford 05/14/2003		
/2	jkreye	csicilia	jfrantze	_____	sbasford		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	06/10/2003 jkreye	06/10/2003 csicilia	06/10/2003	_____	06/10/2003		
	06/10/2003	06/10/2003		_____			
/3			chaskett	_____	lemery		
			06/10/2003	_____	06/10/2003		

FE Sent For:

<END>

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/2	jkreye	csicilia	jfrantze	_____	sbasford		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	06/10/2003	06/10/2003	06/10/2003	_____	06/10/2003		

FE Sent For:

13 cjs 6/10/03

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/?	jkreye 05/14/2003	csicilia 05/14/2003		_____			
/1			pgreensl 05/14/2003	_____	sbasford 05/14/2003		

1/2 cjs 6/10/03 Dec 11 Self 6/1

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**<END>**

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/?	jkreye	1 cjs 5/14 03	8/14	9/14			
			ps	ps/JK			

FE Sent For:

<END>

Kuk - lottery credit act. 6-9916

alt. #4 paper 681 see → AB322?  
+ reporting requirement





## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 8, 2003

Joint Committee on Finance

Paper #681

### **Lottery and Gaming Credit Certification (Shared Revenue and Tax Relief -- Property Tax Credits)**

#### **CURRENT LAW**

Every five years, owners of properties eligible for the lottery and gaming credit are required to file an application on which they attest that they owned the property and used it as their principal dwelling as of January 1 of the year in which taxes are levied in order to receive the credit. Applications must be filed with the treasurer of the county where the property is located or the treasurer of the City of Milwaukee, if the property is located there, and are valid for five years. During the intervening four years, owners of properties that are eligible for the credit may receive the credit by filing an application with the appropriate treasurer. Every five years, counties and the City of Milwaukee receive \$0.70 for each claim that is certified. Payments are made from a sum sufficient appropriation from the lottery fund.

#### **GOVERNOR**

No provision.

#### **DISCUSSION POINTS**

1. State law requires the tax credit certification procedure to be undertaken once every five years. Since certification last occurred in 1999, it is scheduled to recur in 2004. Related payments will be made in September, 2004 (2004-05). The appropriation schedule in SB 44 does not reflect any expenditures from the certification appropriation, but the Department of Administration has requested that the appropriation schedule be amended to reflect the expenditure of \$960,000 SEG. Based on the statutory reimbursement rate of \$0.70 per claimant, this request reflects 1,371,429 claims, which is comparable to the number of claims in 2001-02.

2. In 1999, the Wisconsin Constitution was amended to allow the use of lottery proceeds exclusively for residential property tax relief. Since 1999, the lottery and gaming credit has been targeted to primary residences, and the number of credit recipients has increased by 4.8% from 1999 through 2002, although this rate has slowed to 1.0% annually since 2000.

<u>Year</u>	<u>Number of Credit Recipients</u>	<u>Percent Change</u>
1999	1,318,955	
2000	1,354,279	2.7%
2001	1,371,057	1.2
2002	1,381,768	0.8

3. Assuming 1% annual increases in the number of credit recipients, 1,409,500 lottery and gaming credit claims are estimated for 2004. This would result in certification reimbursement payments of \$986,700 in 2004-05. Expenditures from the certification appropriation reduce the amount of lottery and gaming proceeds that are available to fund lottery and gaming credits on a dollar-for-dollar basis, reducing the average credit by \$0.70.

4. Between 1999 and 2002, the consumer price index increased at an average, annual rate of 2.6%. Based on current forecasts of inflation for 2003 and 2004, the index would be 12.2% higher at the end of 2004 than at the end of 1999. If the certification reimbursement rate was increased similarly, a reimbursement rate of about \$0.80 would result, and certification payments would total an estimated \$1,127,600.

5. The 1999 constitutional amendment necessitated several law changes to bring the state statutes into conformity with the Constitution. Because the Constitution was changed to require the use of lottery and gaming proceeds "for property tax relief for residents of this state," the state statutes were changed to target the lottery and gaming credit to property used as the owner's principal dwelling. The certification procedure was created as a mechanism to verify that properties receiving the credit fulfill the constitutional requirement. Another change allows counties to use an alternate certification procedure, if the procedure is approved by DOR, the procedure includes a method to identify properties eligible for the credit, and the procedure has a similar effect to the statutorily specified procedure.

6. In 1999, DOR authorized Kenosha, Portage, and Waupaca counties to use an alternate procedure. These included a process whereby street addresses were matched with mailing addresses for residential properties within each county's property tax database. In addition, each county undertook a public outreach campaign utilizing public notices in libraries, newspapers, and other venues. In one of the counties, these efforts resulted in costs that were less than \$0.70 per claimant, and the county received reimbursement at the lower amount. DOR staff report that Waupaca County has already indicated its interest in using the alternate procedure in 2004.

7. Last session, 2001 Wisconsin Act 109 (the budget adjustment bill) included a provision authorizing DOR and other state agencies to grant waivers to counties and municipalities, upon their request, from state mandates. DOR has received over 100 requests for mandate waivers,

including 18 from counties seeking a waiver from the certification requirement. The requests indicate that the local treasurers have implemented a system that identifies newly-eligible properties. Based on records related to real estate improvements and transfers, the treasurers send lottery and gaming credit applications to the owners of properties that may be eligible for the credit. The mandate waiver requests do not seek reimbursement related to the counties' remaining certification activities.

8. Although none of the applications have been denied, DOR staff indicate that the Department is likely to refuse the waiver requests. DOR staff note that, despite the identification procedure implemented by the treasurers, the procedure has failed to identify approximately 3,000 eligible claimants each year, who instead file late claims. If the Committee agrees with the Department's position, the state statute authorizing the lottery and gaming credit certification procedure could be amended to be excluded from the mandate waiver provisions authorized under current law.

9. A group of county treasurers has developed a proposal, supported by the Wisconsin Counties Association, that would eliminate the five-year certification procedure and, instead, make claims valid for as long as the property is eligible for the credit. The proposal would also eliminate the certification reimbursement payments. A concern with this approach, as well as the waiver requests, is whether these procedures will achieve the same level of compliance with the Wisconsin Constitution that the statutory procedure, or the alternate certification procedure, are intended to ensure. This concern could be addressed by modifying the proposal to also require each county and city administering the credit to implement a procedure for periodically verifying the eligibility of properties receiving the credit. Beginning in 2004, and in every fifth year thereafter, a report providing a description of the verification procedures and evaluating the procedures' efficacy could be required from each county and city administering the credit. The Department could be required to prescribe the format for the report and could be required to submit a report summarizing the local procedures to the Joint Committee on Finance. Finally, the DOR report could contain a recommendation regarding whether the certification process should continue unchanged or be modified to ensure greater compliance with the Constitution's requirement.

**ALTERNATIVES**

1. Reestimate the sum sufficient appropriation for lottery and gaming credit certification payments at \$986,700 in 2004-05.

<u>Alternative 1</u>	<u>SEG</u>
2003-05 FUNDING (Change to Bill)	\$986,700

2. Increase the certification reimbursement rate from \$0.70 to \$0.80 for each credit certified and reestimate the sum sufficient appropriation at \$1,127,600 in 2004-05.

**Alternative 2****SEG**

2003-05 FUNDING (Change to Bill)

\$1,127,600

3. In addition to Alternative 1 or Alternative 2, amend the state statute authorizing the lottery and gaming credit certification procedure to exclude the procedure from the mandate waiver provisions authorized under state law.

4. Repeal the statutory provisions authorizing the lottery and gaming credit certification reimbursement payment and the related aid appropriation. Delete the current law provision that limits the validity of lottery and gaming credit claims to five years and, instead, provide that claims are valid as long as the property is eligible for the credit. Require counties and cities that administer the credit to implement a procedure to periodically verify the eligibility of properties receiving the credit. Require those local governments to file a report with the Department of Revenue beginning in 2004, and in every fifth year thereafter. Specify that the report include a description of each local government's verification procedures and an evaluation of the procedures' efficacy. Direct the Department of Revenue to prescribe the format for the local government reports and require the Department to submit a report to the Joint Committee on Finance, by January 31, 2005, and every five years thereafter, that summarizes the local procedures. Direct DOR to include a recommendation in its report regarding whether the certification process should continue unchanged or be modified to achieve increased compliance with the Wisconsin Constitution.

Prepared by: Rick Olin

2003

Date (time) needed

SOON

LRB b 0189,1

LFB BUDGET AMENDMENT [ONLY FOR LFB]

JK : cjs :

See form AMENDMENTS — COMPONENTS & ITEMS.

LFB AMENDMENT TO 2003 SENATE BILL 44

>>FOR JT. FIN. SUB. — NOT FOR INTRODUCTION<<

At the locations indicated, amend the bill as follows:

#. Page 412, line 4: after that line, insert: ¶ INSERT A ✓

#. Page 459, line 7: after that line, insert: ¶ INSERT B ✓

#. Page 727, line 13: after that line, insert: ¶ INSERT C ✓

#. Page 1122, line 21: after that line, insert: ¶ INSERT D ✓

(end)

#. Page ..., line ...:
#. Page ..., line ...:

SA ✓

# 2003 ASSEMBLY BILL 322

May 13, 2003 - Introduced by Representatives WIECKERT, HAHN, LADWIG, MUSSER, JESKEWITZ, HINES, GROTHMAN, KRAWCZYK, VAN ROY, GUNDERSON, OWENS, ALBERS, STONE, OLSEN, PLOUFF, J. LEHMAN, KERKMAN, BIES, VRAKAS, SERATTI, TOWNS and D. MEYER, cosponsored by Senators LAZICH, STEPP, ROESSLER, LEIBHAM and LASSA. Referred to Committee on Ways and Means.

1 AN ACT *to repeal* 20.835 (3) (r), 25.75 (3) (f) and 79.10 (7r); and *to amend* 79.10  
2 (10) (a), 79.10 (10) (b), 79.10 (10) (bm), 79.10 (10) (bn) and 79.10 (11) (b) of the  
3 statutes; **relating to:** claiming the lottery and gaming property tax credit.

### *Analysis by the Legislative Reference Bureau*

Under current law, a person who owns property that the person uses as his or her principal dwelling, may claim a lottery and gaming property tax credit related to that property by applying for the credit with the county or city where the property is located. Although the property owner receives the credit for as long as the property owner uses his or her property as a principal dwelling, the property owner must reapply for the credit once every five years. This bill eliminates the requirement that the property owner reapply for the lottery and gaming property tax credit once every five years.

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

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

4 "SECTION <sup>668m</sup> 20.835 (3) (r) of the statutes is repealed."

5 "SECTION <sup>863m</sup> 25.75 (3) (f) of the statutes is repealed."

INSERT A

INSERT B

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C

ASSEMBLY BILL 322

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<sup>1670b</sup>  
SECTION 3. 79.10 (7r) of the statutes is repealed.

<sup>1670d</sup>  
SECTION 4. 79.10 (10) (a) of the statutes is amended to read:

79.10 (10) (a) Beginning with property taxes levied in 1999, the owner of a principal dwelling may claim the credit under sub. (9) (bm) by applying for the credit on a form prescribed by the department of revenue. A claimant shall attest that, as of the certification date, the claimant is an owner of property and that such property is used by the owner in the manner specified under sub. (1) (dm). The certification date is January 1 of the year in which the property taxes are levied. The claimant shall file the application for the lottery and gaming credit with the treasurer of the county in which the property is located or, if the property is located in a city that collects taxes under s. 74.87, with the treasurer of the city in which the property is located. Subject to review by the department of revenue, a treasurer who receives a completed application shall direct that the property described in the application be identified on the next tax roll as property for which the owner is entitled to receive a lottery and gaming credit. A claim that is made under this paragraph is valid for 5 years as long as the property is eligible for the credit under sub. (9) (bm).

<sup>1670dm</sup>  
SECTION 5. 79.10 (10) (b) of the statutes is amended to read:

79.10 (10) (b) A person who becomes eligible for a credit under sub. (9) (bm) may claim the credit by filing an application, on a form prescribed by the department of revenue, with the treasurer of the county in which the property is located or, if the property is located in a city that collects taxes under s. 74.87, with the treasurer of the city in which the property is located. Claims made under this paragraph ~~become invalid when claims made under par. (a) become invalid~~ are valid for as long as the property is eligible for the credit under sub. (9) (bm).

SECTION 6. 79.10 (10) (bm) of the statutes is amended to read:

<sup>1670dp</sup>

INSERT  
C.

ASSEMBLY BILL 322

1           79.10 (10) (bm) 1. A person who is eligible for a credit under sub. (9) (bm) but  
 2 whose property tax bill does not reflect the credit may claim the credit by applying  
 3 to the treasurer of the taxation district in which the property is located for the credit  
 4 under par. (a) by January 31 following the issuance of the person's property tax bill.  
 5 The treasurer shall compute the amount of the credit; subtract the amount of the  
 6 credit from the person's property tax bill; notify the person of the reduced amount of  
 7 the property taxes due; issue a refund to the person if the person has paid the  
 8 property taxes in full; and enter the person's property on the next tax roll as property  
 9 that qualifies for a lottery and gaming credit. Claims made under this subdivision  
 10 ~~become invalid when claims made under par. (a) become invalid~~ are valid for as long  
 11 as the property is eligible for the credit under sub. (9) (bm).

12           2. A person who may apply for a credit under subd. 1. but who does not timely  
 13 apply for the credit under subd. 1. may apply to the department of revenue no later  
 14 than October 1 following the issuance of the person's property tax bill. Subject to  
 15 review by the department, the department shall compute the amount of the credit;  
 16 issue a check to the person in the amount of the credit; and notify the treasurer of  
 17 the county in which the person's property is located or the treasurer of the taxation  
 18 district in which the person's property is located, if the taxation district collects taxes  
 19 under s. 74.87. The treasurer shall enter the person's property on the next tax roll  
 20 as property that qualifies for a lottery and gaming credit. Claims made under this  
 21 subdivision ~~become invalid when claims made under par. (a) become invalid~~ are valid  
 22 for as long as the property is eligible for the credit under sub. (9) (bm).

23           SECTION 7. 79.10 (10) (bn) of the statutes is amended to read:  
 24           79.10 (10) (bn) 1. If a person who owns and uses property as specified under  
 25 sub. (1) (dm), as of the certification date under par. (a), transfers the property after

1670 dr



INSERT  
C.

ASSEMBLY BILL 322

1 the certification date, the transferee may apply to the treasurer of the county in  
 2 which the property is located or, if the property is located in a city that collects taxes  
 3 under s. 74.87, to the treasurer of the city in which the property is located for the  
 4 credit under sub. (9) (bm) on a form prescribed by the department of revenue. The  
 5 transferee shall attest that, to the transferee's knowledge, the transferor used the  
 6 property in the manner specified under sub. (1) (dm) as of the certification date under  
 7 par. (a). A claim that is made under this subdivision is valid for ~~the year in which~~  
 8 ~~the property is transferred~~ as long as the property is eligible for the credit under sub.  
 9 (9) (bm).

10 2. A person who is eligible for a credit under subd. 1. but whose property tax  
 11 bill does not reflect the credit may claim the credit by applying to the treasurer of the  
 12 taxation district in which the property is located for the credit by January 31  
 13 following the issuance of the person's property tax bill. Claims made after January  
 14 31, but no later than October 1 following the issuance of the person's property tax bill,  
 15 shall be made to the department of revenue. Paragraph (bm), as it applies to  
 16 processing claims made under that paragraph, applies to processing claims made  
 17 under this subdivision, ~~except that a claim that is made under this subdivision is~~  
 18 ~~valid for the year in which the person took possession of the transferred property~~  
 19 ~~under subd. 1.~~

1670f

19

SECTION 8. 79.10 (11) (b) of the statutes is amended to read:

20 79.10 (11) (b) Before October 16, the department of administration shall  
 21 determine the total funds available for distribution under the lottery and gaming  
 22 credit in the following year and shall inform the joint committee on finance of that  
 23 total. Total funds available for distribution shall be all moneys projected to be  
 24 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
 25

INSERT 4-19

INSERT C

ASSEMBLY BILL 322

1 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
 2 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
 3 20.566 (2) (r), and 20.835 (2) (q) ~~and (3) (r)~~ and less the required reserve under s.  
 4 20.003 (5). The joint committee on finance may revise the total amount to be  
 5 distributed if it does so at a meeting that takes place before November 1. If the joint  
 6 committee on finance does not schedule a meeting to take place before November 1,  
 7 the total determined by the department of administration shall be the total amount  
 8 estimated to be distributed under the lottery and gaming credit in the following year. "

END OF INSERT C

~~SECTION 9. Initial applicability.~~

10 " ~~(\*)~~ ~~Domat~~ first applies to the property tax assessments as of January 1, 2003. "

11

~~(END)~~

and (f) ↗

LOTTERY AND GAMING CREDIT CERTIFICATION. <sup>(CS)</sup> The treatment  
 of sections 20.835(3)(r), 25.75(3)(f), and 79.10(7r),  
 (10)(a), (b), (bm), ~~and~~ (bn), and (11)(b) of the statutes

INSERT D

Insert 4 - 19

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SECTION 1670dt. 79.10 (10) (f) of the statutes is created to read:  
79.10 (10) (f) 1. Each county and city that administers the credit under sub. (9) (bm) shall implement a procedure to verify the eligibility of properties for which a credit is claimed. In 2004, and every 5th year thereafter, each county and city that administers the credit under sub. (9) (bm) shall file a report with the department of revenue, in the manner and at the time prescribed by the department of revenue, that describes the procedures that the county or city uses to verify the credits claimed under this subsection and evaluates the efficacy of such procedures.  
2. On or before January 31, 2005, and every 5th year thereafter, the department of revenue shall submit a report to the joint committee on finance that summarizes the procedures described in the reports filed under subd. 1. A report submitted under this subdivision shall include a recommendation as to whether the process for certifying credits claimed under this subsection should continue unchanged or be modified to increase compliance with the constitution.

✓

2003 - 2004 LEGISLATURE

LRBb0189/1

JK:cjs:pg

LFB:.....Olin - Lottery and gaming credit certification; alternative 4  
FOR 2003-05 BUDGET -- NOT READY FOR INTRODUCTION  
SENATE AMENDMENT ,  
TO 2003 SENATE BILL 44

Post-it® Fax Note	7671	Date	6/10	# of pages	5
To	Joe Cry	From	Rick Olin		
Co./Depl.		Co.			
Phone #		Phone #			
Fax #	4-6948	Fax #			

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

2 1. Page 412, line 4: after that line insert:

3 "SECTION 668m. 20.835 (3) (r) of the statutes is repealed."

4 2. Page 459, line 7: after that line insert:

5 "SECTION 863m. 25.75 (3) (f) of the statutes is repealed."

6 3. Page 727, line 13: after that line insert:

7 "SECTION 1670b. 79.10 (7r) of the statutes is repealed.

8 SECTION 1670d. 79.10 (10) (a) of the statutes is amended to read:

9 79.10 (10) (a) Beginning with property taxes levied in 1999, the owner of a  
10 principal dwelling may claim the credit under sub. (9) (bm) by applying for the credit  
11 on a form prescribed by the department of revenue. A claimant shall attest that, as

2003 - 2004 Legislature

- 2 -

LRBb0189/1  
JK:cjs:pg

1 of the certification date, the claimant is an owner of property and that such property  
2 is used by the owner in the manner specified under sub. (1) (dm). The certification  
3 date is January 1 of the year in which the property taxes are levied. The claimant  
4 shall file the application for the lottery and gaming credit with the treasurer of the  
5 county in which the property is located or, if the property is located in a city that  
6 collects taxes under s. 74.87, with the treasurer of the city in which the property is  
7 located. Subject to review by the department of revenue, a treasurer who receives  
8 a completed application shall direct that the property described in the application be  
9 identified on the next tax roll as property for which the owner is entitled to receive  
10 a lottery and gaming credit. A claim that is made under this paragraph is valid for  
11 5 years as long as the property is eligible for the credit under sub. (9) (bm).

12 **SECTION 1670dm.** 79.10 (10) (b) of the statutes is amended to read:

13 79.10 (10) (b) A person who becomes eligible for a credit under sub. (9) (bm) may  
14 claim the credit by filing an application, on a form prescribed by the department of  
15 revenue, with the treasurer of the county in which the property is located or, if the  
16 property is located in a city that collects taxes under s. 74.87, with the treasurer of  
17 the city in which the property is located. Claims made under this paragraph ~~become~~  
18 ~~invalid when claims made under par. (a) become invalid~~ are valid for as long as the  
19 property is eligible for the credit under sub. (9) (bm).

20 **SECTION 1670dp.** 79.10 (10) (bm) of the statutes is amended to read:

21 79.10 (10) (bm) 1. A person who is eligible for a credit under sub. (9) (bm) but  
22 whose property tax bill does not reflect the credit may claim the credit by applying  
23 to the treasurer of the taxation district in which the property is located for the credit  
24 under par. (a) by January 31 following the issuance of the person's property tax bill.  
25 The treasurer shall compute the amount of the credit; subtract the amount of the

2003 - 2004 Legislature

- 3 -

LRBb0189/1  
JK:cjs:pg

1 credit from the person's property tax bill; notify the person of the reduced amount of  
2 the property taxes due; issue a refund to the person if the person has paid the  
3 property taxes in full; and enter the person's property on the next tax roll as property  
4 that qualifies for a lottery and gaming credit. Claims made under this subdivision  
5 ~~become invalid when claims made under par. (a) become invalid~~ are valid for as long  
6 as the property is eligible for the credit under sub. (9) (bm).

7 2. A person who may apply for a credit under subd. 1. but who does not timely  
8 apply for the credit under subd. 1. may apply to the department of revenue no later  
9 than October 1 following the issuance of the person's property tax bill. Subject to  
10 review by the department, the department shall compute the amount of the credit;  
11 issue a check to the person in the amount of the credit; and notify the treasurer of  
12 the county in which the person's property is located or the treasurer of the taxation  
13 district in which the person's property is located, if the taxation district collects taxes  
14 under s. 74.87. The treasurer shall enter the person's property on the next tax roll  
15 as property that qualifies for a lottery and gaming credit. Claims made under this  
16 subdivision ~~become invalid when claims made under par. (a) become invalid~~ are valid  
17 for as long as the property is eligible for the credit under sub. (9) (bm).

18 **SECTION 1670dr.** 79.10 (10) (bn) of the statutes is amended to read:

19 79.10 (10) (bn) 1. If a person who owns and uses property as specified under  
20 sub. (1) (dm) as of the certification date under par. (a), transfers the property after  
21 the certification date, the transferee may apply to the treasurer of the county in  
22 which the property is located or, if the property is located in a city that collects taxes  
23 under s. 74.87, to the treasurer of the city in which the property is located for the  
24 credit under sub. (9) (bm) on a form prescribed by the department of revenue. The  
25 transferee shall attest that, to the transferee's knowledge, the transferor used the

1 property in the manner specified under sub. (1) (dm) as of the certification date under  
 2 par. (a). A claim that is made under this subdivision is valid for ~~the year in which~~  
 3 ~~the property is transferred~~ as long as the property is eligible for the credit under sub.  
 4 (9) (bm).

5 2. A person who is eligible for a credit under subd. 1. but whose property tax  
 6 bill does not reflect the credit may claim the credit by applying to the treasurer of the  
 7 taxation district in which the property is located for the credit by January 31  
 8 following the issuance of the person's property tax bill. Claims made after January  
 9 31, but no later than October 1 following the issuance of the person's property tax bill,  
 10 shall be made to the department of revenue. Paragraph (bm), as it applies to  
 11 processing claims made under that paragraph, applies to processing claims made  
 12 under this subdivision, ~~except that a claim that is made under this subdivision is~~  
 13 ~~valid for the year in which the person took possession of the transferred property~~  
 14 ~~under subd. 1.~~

15 SECTION 1670dt. 79.10 (10) (f) of the statutes is created to read:

16 79.10 (10) (f) 1. Each county and city that administers the credit under sub. (9)  
 17 (bm) shall implement a procedure to <sup>periodically</sup> verify the eligibility of properties for which a  
 18 credit is claimed. In 2004, and every 5th year thereafter, each county and city that  
 19 administers the credit under sub. (9) (bm) shall file a report with the department of  
 20 revenue, in the manner and at the time prescribed by the department of revenue,  
 21 that describes the procedures that the county or city uses to verify the credits claimed  
 22 under this subsection and evaluates the efficacy of such procedures.

23 2. On or before January 31, 2005, and every 5th year thereafter, the department  
 24 of revenue shall submit a report to the joint committee on finance that summarizes  
 25 the procedures described in the reports filed under subd. 1. A report submitted under



1 this subdivision shall include a recommendation as to whether the process for  
2 certifying credits claimed under this subsection should continue unchanged or be  
3 modified to increase compliance with the constitution.

4 SECTION 1670f. 79.10 (11) (b) of the statutes is amended to read:

5 79.10 (11) (b) Before October 16, the department of administration shall  
6 determine the total funds available for distribution under the lottery and gaming  
7 credit in the following year and shall inform the joint committee on finance of that  
8 total. Total funds available for distribution shall be all moneys projected to be  
9 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
10 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
11 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
12 20.566 (2) (r), and 20.835 (2) (q) and ~~(3) (r)~~ and less the required reserve under s.  
13 20.003 (5). The joint committee on finance may revise the total amount to be  
14 distributed if it does so at a meeting that takes place before November 1. If the joint  
15 committee on finance does not schedule a meeting to take place before November 1,  
16 the total determined by the department of administration shall be the total amount  
17 estimated to be distributed under the lottery and gaming credit in the following  
18 year."

19 4. Page 1122, line 21: after that line insert:

20 "(1q) LOTTERY AND GAMING CERTIFICATION. The treatment of sections 20.835 (3)  
21 (r), 25.75 (3) (f), and 79.10 (7r), (10) (a), (b), (bm), ~~and (bn)~~, and (f), and (11) (b) of the  
22 statutes first applies to the property tax assessments as of January 1, 2003."

23 (END)

one for  
sure  
maybe  
both





State of Wisconsin  
2003 - 2004 LEGISLATURE

LRBb0189/1  
JK:cjs:pg

*[Handwritten signature]*  
*[Handwritten initials]*

LFB:.....Olin – Lottery and gaming credit certification; alternative 4  
FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION  
**SENATE AMENDMENT ,**  
**TO 2003 SENATE BILL 44**

*m* - *6-10-03*

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 412, line 4: after that line insert:
- 3 “SECTION 668m. 20.835 (3) (r) of the statutes is repealed.”.
- 4 **2.** Page 459, line 7: after that line insert:
- 5 “SECTION 863m. 25.75 (3) (f) of the statutes is repealed.”.
- 6 **3.** Page 727, line 13: after that line insert:
- 7 “SECTION 1670b. 79.10 (7r) of the statutes is repealed.
- 8 SECTION 1670d. 79.10 (10) (a) of the statutes is amended to read:
- 9 79.10 (10) (a) Beginning with property taxes levied in 1999, the owner of a
- 10 principal dwelling may claim the credit under sub. (9) (bm) by applying for the credit
- 11 on a form prescribed by the department of revenue. A claimant shall attest that, as

1 of the certification date, the claimant is an owner of property and that such property  
2 is used by the owner in the manner specified under sub. (1) (dm). The certification  
3 date is January 1 of the year in which the property taxes are levied. The claimant  
4 shall file the application for the lottery and gaming credit with the treasurer of the  
5 county in which the property is located or, if the property is located in a city that  
6 collects taxes under s. 74.87, with the treasurer of the city in which the property is  
7 located. Subject to review by the department of revenue, a treasurer who receives  
8 a completed application shall direct that the property described in the application be  
9 identified on the next tax roll as property for which the owner is entitled to receive  
10 a lottery and gaming credit. A claim that is made under this paragraph is valid for  
11 5 years as long as the property is eligible for the credit under sub. (9) (bm).

12 **SECTION 1670dm.** 79.10 (10) (b) of the statutes is amended to read:

13 79.10 (10) (b) A person who becomes eligible for a credit under sub. (9) (bm) may  
14 claim the credit by filing an application, on a form prescribed by the department of  
15 revenue, with the treasurer of the county in which the property is located or, if the  
16 property is located in a city that collects taxes under s. 74.87, with the treasurer of  
17 the city in which the property is located. Claims made under this paragraph ~~become~~  
18 ~~invalid when claims made under par. (a) become invalid~~ are valid for as long as the  
19 property is eligible for the credit under sub. (9) (bm).

20 **SECTION 1670dp.** 79.10 (10) (bm) of the statutes is amended to read:

21 79.10 (10) (bm) 1. A person who is eligible for a credit under sub. (9) (bm) but  
22 whose property tax bill does not reflect the credit may claim the credit by applying  
23 to the treasurer of the taxation district in which the property is located for the credit  
24 under par. (a) by January 31 following the issuance of the person's property tax bill.  
25 The treasurer shall compute the amount of the credit; subtract the amount of the

1 credit from the person's property tax bill; notify the person of the reduced amount of  
2 the property taxes due; issue a refund to the person if the person has paid the  
3 property taxes in full; and enter the person's property on the next tax roll as property  
4 that qualifies for a lottery and gaming credit. Claims made under this subdivision  
5 ~~become invalid when claims made under par. (a) become invalid~~ are valid for as long  
6 as the property is eligible for the credit under sub. (9) (bm).

7 2. A person who may apply for a credit under subd. 1. but who does not timely  
8 apply for the credit under subd. 1. may apply to the department of revenue no later  
9 than October 1 following the issuance of the person's property tax bill. Subject to  
10 review by the department, the department shall compute the amount of the credit;  
11 issue a check to the person in the amount of the credit; and notify the treasurer of  
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16 subdivision ~~become invalid when claims made under par. (a) become invalid~~ are valid  
17 for as long as the property is eligible for the credit under sub. (9) (bm).

18 **SECTION 1670dr.** 79.10 (10) (bn) of the statutes is amended to read:

19 79.10 (10) (bn) 1. If a person who owns and uses property as specified under  
20 sub. (1) (dm), ~~as of the certification date under par. (a),~~ transfers the property after  
21 the certification date, the transferee may apply to the treasurer of the county in  
22 which the property is located or, if the property is located in a city that collects taxes  
23 under s. 74.87, to the treasurer of the city in which the property is located for the  
24 credit under sub. (9) (bm) on a form prescribed by the department of revenue. The  
25 transferee shall attest that, to the transferee's knowledge, the transferor used the

1 property in the manner specified under sub. (1) (dm) as of the certification date under  
2 par. (a). A claim that is made under this subdivision is valid for ~~the year in which~~  
3 ~~the property is transferred~~ as long as the property is eligible for the credit under sub.  
4 (9) (bm).

5 2. A person who is eligible for a credit under subd. 1. but whose property tax  
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9 31, but no later than October 1 following the issuance of the person's property tax bill,  
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11 processing claims made under that paragraph, applies to processing claims made  
12 under this subdivision, ~~except that a claim that is made under this subdivision is~~  
13 ~~valid for the year in which the person took possession of the transferred property~~  
14 ~~under subd. 1.~~

15 **SECTION 1670dt.** 79.10 (10) (f) of the statutes is created to read:

16 79.10 (10) (f) 1. Each county and city that administers the credit under sub. (9)  
17 (bm) shall implement a procedure to <sup>periodically</sup> verify the eligibility of properties for which a  
18 credit is claimed. In 2004, and every 5th year thereafter, each county and city that  
19 administers the credit under sub. (9) (bm) shall file a report with the department of  
20 revenue, in the manner and at the time prescribed by the department of revenue,  
21 that describes the procedures that the county or city uses to verify the credits claimed  
22 under this subsection and evaluates the efficacy of such procedures.

23 2. On or before January 31, 2005, and every 5th year thereafter, the department  
24 of revenue shall submit a report to the joint committee on finance that summarizes  
25 the procedures described in the reports filed under subd. 1. A report submitted under

1 this subdivision shall include a recommendation as to whether the process for  
2 certifying credits claimed under this subsection should continue unchanged or be  
3 modified to increase compliance with the constitution.

4 **SECTION 1670f.** 79.10 (11) (b) of the statutes is amended to read:

5 79.10 (11) (b) Before October 16, the department of administration shall  
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7 credit in the following year and shall inform the joint committee on finance of that  
8 total. Total funds available for distribution shall be all moneys projected to be  
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11 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
12 20.566 (2) (r), and 20.835 (2) (q) and ~~(3) (r)~~ and less the required reserve under s.  
13 20.003 (5). The joint committee on finance may revise the total amount to be  
14 distributed if it does so at a meeting that takes place before November 1. If the joint  
15 committee on finance does not schedule a meeting to take place before November 1,  
16 the total determined by the department of administration shall be the total amount  
17 estimated to be distributed under the lottery and gaming credit in the following  
18 year.”.

19 **4.** Page 1122, line 21: after that line insert:

20 “(1q) LOTTERY AND GAMING CERTIFICATION. The treatment of sections 20.835 (3)  
21 (r), 25.75 (3) (f), and 79.10 (7r), (10) (a), (b), (bm), (bn), and (f), and (11) (b) of the  
22 statutes first applies to the property tax assessments as of January 1, 2003.”.

23 (END)



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRBb0189/2

JK:cjs:pg

RM not R

LFB:.....Olin – Lottery and gaming credit certification; alternative 4

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO 2003 SENATE BILL 44

in 6-10-03

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

2 1. Page 412, line 4: after that line insert:

3 “SECTION 668m. 20.835 (3) (r) of the statutes is repealed.”.

4 2. Page 459, line 7: after that line insert:

5 “SECTION 863m. 25.75 (3) (f) of the statutes is repealed.”.

6 3. Page 727, line 13: after that line insert:

7 “SECTION 1670b. 79.10 (7r) of the statutes is repealed.

8 SECTION 1670d. 79.10 (10) (a) of the statutes is amended to read:

9 79.10 (10) (a) Beginning with property taxes levied in 1999, the owner of a  
10 principal dwelling may claim the credit under sub. (9) (bm) by applying for the credit  
11 on a form prescribed by the department of revenue. A claimant shall attest that, as

1 of the certification date, the claimant is an owner of property and that such property  
2 is used by the owner in the manner specified under sub. (1) (dm). The certification  
3 date is January 1 of the year in which the property taxes are levied. The claimant  
4 shall file the application for the lottery and gaming credit with the treasurer of the  
5 county in which the property is located or, if the property is located in a city that  
6 collects taxes under s. 74.87, with the treasurer of the city in which the property is  
7 located. Subject to review by the department of revenue, a treasurer who receives  
8 a completed application shall direct that the property described in the application be  
9 identified on the next tax roll as property for which the owner is entitled to receive  
10 a lottery and gaming credit. A claim that is made under this paragraph is valid for  
11 5 years as long as the property is eligible for the credit under sub. (9) (bm).

12 **SECTION 1670dm.** 79.10 (10) (b) of the statutes is amended to read:

13 79.10 (10) (b) A person who becomes eligible for a credit under sub. (9) (bm) may  
14 claim the credit by filing an application, on a form prescribed by the department of  
15 revenue, with the treasurer of the county in which the property is located or, if the  
16 property is located in a city that collects taxes under s. 74.87, with the treasurer of  
17 the city in which the property is located. Claims made under this paragraph ~~become~~  
18 ~~invalid when claims made under par. (a) become invalid~~ are valid for as long as the  
19 property is eligible for the credit under sub. (9) (bm).

20 **SECTION 1670dp.** 79.10 (10) (bm) of the statutes is amended to read:

21 79.10 (10) (bm) 1. A person who is eligible for a credit under sub. (9) (bm) but  
22 whose property tax bill does not reflect the credit may claim the credit by applying  
23 to the treasurer of the taxation district in which the property is located for the credit  
24 under par. (a) by January 31 following the issuance of the person's property tax bill.  
25 The treasurer shall compute the amount of the credit; subtract the amount of the

1 credit from the person's property tax bill; notify the person of the reduced amount of  
 2 the property taxes due; issue a refund to the person if the person has paid the  
 3 property taxes in full; and enter the person's property on the next tax roll as property  
 4 that qualifies for a lottery and gaming credit. Claims made under this subdivision  
 5 ~~become invalid when claims made under par. (a) become invalid~~ are valid for as long  
 6 as the property is eligible for the credit under sub. (9) (bm).

7 2. A person who may apply for a credit under subd. 1. but who does not timely  
 8 apply for the credit under subd. 1. may apply to the department of revenue no later  
 9 than October 1 following the issuance of the person's property tax bill. Subject to  
 10 review by the department, the department shall compute the amount of the credit;  
 11 issue a check to the person in the amount of the credit; and notify the treasurer of  
 12 the county in which the person's property is located or the treasurer of the taxation  
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 16 subdivision ~~become invalid when claims made under par. (a) become invalid~~ are valid  
 17 for as long as the property is eligible for the credit under sub. (9) (bm).

18 **SECTION 1670dr.** 79.10 (10) (bn) of the statutes is amended to read:

19 79.10 (10) (bn) 1. If a person who owns and uses property as specified under  
 20 sub. (1) (dm), ~~as of the certification date under par. (a),~~ <sup>PLAIN</sup> transfers the property after  
 21 the certification date, the transferee may apply to the treasurer of the county in  
 22 which the property is located or, if the property is located in a city that collects taxes  
 23 under s. 74.87, to the treasurer of the city in which the property is located for the  
 24 credit under sub. (9) (bm) on a form prescribed by the department of revenue. The  
 25 transferee shall attest that, to the transferee's knowledge, the transferor used the



1 property in the manner specified under sub. (1) (dm) as of the certification date under  
2 par. (a). A claim that is made under this subdivision is valid for the year in which  
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4 (9) (bm).

5 2. A person who is eligible for a credit under subd. 1. but whose property tax  
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12 under this subdivision, ~~except that a claim that is made under this subdivision is~~  
13 ~~valid for the year in which the person took possession of the transferred property~~  
14 ~~under subd. 1.~~

15 **SECTION 1670dt.** 79.10 (10) (f) of the statutes is created to read:

16 79.10 (10) (f) 1. Each county and city that administers the credit under sub. (9)  
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18 for which a credit is claimed. In 2004, and every 5th year thereafter, each county and  
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20 department of revenue, in the manner and at the time prescribed by the department  
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22 credits claimed under this subsection and evaluates the efficacy of such procedures.

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25 the procedures described in the reports filed under subd. 1. A report submitted under

1 this subdivision shall include a recommendation as to whether the process for  
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3 modified to increase compliance with the constitution.

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7 credit in the following year and shall inform the joint committee on finance of that  
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11 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
12 20.566 (2) (r), and 20.835 (2) (q) and ~~(3) (r)~~ and less the required reserve under s.  
13 20.003 (5). The joint committee on finance may revise the total amount to be  
14 distributed if it does so at a meeting that takes place before November 1. If the joint  
15 committee on finance does not schedule a meeting to take place before November 1,  
16 the total determined by the department of administration shall be the total amount  
17 estimated to be distributed under the lottery and gaming credit in the following  
18 year.”.

19 **4.** Page 1122, line 21: after that line insert:

20 “(1q) LOTTERY AND GAMING CERTIFICATION. The treatment of sections 20.835 (3)  
21 (r), 25.75 (3) (f), and 79.10 (7r), (10) (a), (b), (bm), and (bn), and (f), and (11) (b) of the  
22 statutes first applies to the property tax assessments as of January 1, 2003.”.

23 (END)



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRBb0189/3  
JK:cjs:cph

LFB:.....Olin – Lottery and gaming credit certification; alternative 4

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

**SENATE AMENDMENT ,**

**TO 2003 SENATE BILL 44**

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

2 **1.** Page 412, line 4: after that line insert:

3 “SECTION 668m. 20.835 (3) (r) of the statutes is repealed.”.

4 **2.** Page 459, line 7: after that line insert:

5 “SECTION 863m. 25.75 (3) (f) of the statutes is repealed.”.

6 **3.** Page 727, line 13: after that line insert:

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11 processing claims made under that paragraph, applies to processing claims made  
12 under this subdivision, ~~except that a claim that is made under this subdivision is~~  
13 ~~valid for the year in which the person took possession of the transferred property~~  
14 ~~under subd. 1.~~

15 **SECTION 1670dt.** 79.10 (10) (f) of the statutes is created to read:

16 79.10 (10) (f) 1. Each county and city that administers the credit under sub. (9)  
17 (bm) shall implement a procedure to periodically verify the eligibility of properties  
18 for which a credit is claimed. In 2004, and every 5th year thereafter, each county and  
19 city that administers the credit under sub. (9) (bm) shall file a report with the  
20 department of revenue, in the manner and at the time prescribed by the department  
21 of revenue, that describes the procedures that the county or city uses to verify the  
22 credits claimed under this subsection and evaluates the efficacy of such procedures.

23 2. On or before January 31, 2005, and every 5th year thereafter, the department  
24 of revenue shall submit a report to the joint committee on finance that summarizes  
25 the procedures described in the reports filed under subd. 1. A report submitted under

1 this subdivision shall include a recommendation as to whether the process for  
2 certifying credits claimed under this subsection should continue unchanged or be  
3 modified to increase compliance with the constitution.

4 **SECTION 1670f.** 79.10 (11) (b) of the statutes is amended to read:

5 79.10 (11) (b) Before October 16, the department of administration shall  
6 determine the total funds available for distribution under the lottery and gaming  
7 credit in the following year and shall inform the joint committee on finance of that  
8 total. Total funds available for distribution shall be all moneys projected to be  
9 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
10 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
11 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
12 20.566 (2) (r), and 20.835 (2) (q) and ~~(3) (r)~~ and less the required reserve under s.  
13 20.003 (5). The joint committee on finance may revise the total amount to be  
14 distributed if it does so at a meeting that takes place before November 1. If the joint  
15 committee on finance does not schedule a meeting to take place before November 1,  
16 the total determined by the department of administration shall be the total amount  
17 estimated to be distributed under the lottery and gaming credit in the following  
18 year.”.

19 **4.** Page 1122, line 21: after that line insert:

20 “(1q) LOTTERY AND GAMING CERTIFICATION. The treatment of sections 20.835 (3)  
21 (r), 25.75 (3) (f), and 79.10 (7r), (10) (a), (b), (bm), (bn), and (f), and (11) (b) of the  
22 statutes first applies to the property tax assessments as of January 1, 2003.”.

23 (END)