

2003 DRAFTING REQUEST

Senate Amendment (SA-SB44)

Received: **06/04/2003**

Received By: **jkreye**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Runde (FA)**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax - property**

Extra Copies:

Submit via email: **YES**

Requester's email:

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

Pre Topic:

LFB:.....Runde (FA) -

Topic:

Assessment of undeveloped land and agricultural forest

Instructions:

See Attached

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>
/1	jkreye 06/04/2003	jdyer 06/05/2003	jfrantze 06/05/2003	_____	mbarman 06/05/2003		
		jdyer 06/05/2003		_____			

FE Sent For:

<END>

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/1	jkreye	1 6/4 jld	J 6/4/5	J/Ps 6/5			

FE Sent For:

<END>

Senator Darling
Representative Kaufert

SHARED REVENUE AND TAX RELIEF -- PROPERTY TAXATION
DEPARTMENT OF AGRICULTURE, TRADE, AND CONSUMER PROTECTION
DEPARTMENT OF TOURISM

Assessment of Property Classified as Swamp or Waste or Productive Forest Land
[LFB Paper #686]

Grants for Ethanol Producers
[LFB Paper #135]

Motion:

Move to change the name of the "swamp or waste" classification of real property to "undeveloped land" for purposes of property taxation. Create a new classification of property called "agricultural forest," defined to include land that is producing or is capable of producing commercial forest products and is included on a parcel where part of the parcel is classified as agricultural or is contiguous to a parcel where part of the parcel is classified as agricultural, if the contiguous parcel is owned by the same person. Define contiguous to include a parcel that is separated only by a road from a parcel containing agricultural land, so long as both parcels are owned by the same person. Provide for the assessment of property classified as undeveloped land and agricultural forest land at 50% of the full value for which the property could be sold. Extend similar treatment to the Department of Revenue's determination of equalized values. Change cross-references in other sections of the statutes pertaining to requirements regarding the assessment level of major classes of property, penalties on agricultural land converted to other uses, and decennial adjustments to the per acre tax under the forest crop land program to reflect undeveloped land, rather than swamp or waste, and to include property classified as agricultural forest. Modify the current law requirement relating to assessing each major class of property at no less than 90% of its full value by specifying that undeveloped land, agricultural forests, productive forest land, and other property be considered separate classes of property, rather than as a single class of property, as provided under current law. Modify current law provisions related to trespassing on land by changing the term "undeveloped land" to "open land." Extend these provisions to property assessed as of January 1, 2004.

Sunset claims and penalties under the farmland preservation program, effective with claims related to taxes after the 2002 tax year. Allow landowners who have entered into farmland preservation agreements with the state to continue to receive credits as long as their agreements are in effect. Specify that DATCP could not enter into any new farmland preservation agreements after the effective date of the bill. Reduce costs related to the program by an estimated \$11,100,000 GPR in 2003-04 and \$11,600,000 GPR in 2004-05.

Specify that any modifications to the use value formula be approved through the administrative rule process before they take effect.

Provide \$1,000,000 GPR annually to DATCP for grants to ethanol producers.

Delete \$500,000 GPR annually from DATCP's soil and water resource management program.

Provide Tourism an additional \$500,000 GPR annually for tourism marketing.

Note:

The motion includes Alternatives #3 and #5 from Paper #686, although Alternative #5 has been modified to reflect earlier actions of the Committee affecting the amount of the farmland preservation credit.

For purposes of property taxation, real estate is grouped under seven property classifications. Current law includes property that is a bog, marsh, lowland brush, uncultivated land zoned as shoreland and mapped as wetland, or other nonproductive land in the "swamp or waste" classification. This motion would change the name of this classification to "undeveloped land." In addition, certain property classified as productive forest land would be classified under a new category called "agricultural forest." To qualify for this classification, the property would have to be on a parcel that contains agricultural land or be contiguous to a parcel containing agricultural land, provided both parcels are owned by the same person. Property that is classified as undeveloped land or as agricultural forest would be assessed at 50% of its fair market value, as opposed to 100% of its fair market value under current law. Similar treatment would be extended to DOR's determination of equalized values.

The two new classifications would necessitate changes to cross-references in other sections of the statutes pertaining to requirements regarding the assessment level of major classes of property, penalties on agricultural land converted to other uses, and decennial adjustments to the per acre tax under the forest crop land program. In addition to the cross reference change, the motion would modify current law provisions pertaining to the assessment level of major classes of property in a more substantive way. Currently, municipalities must achieve a ratio of assessed value to equalized value of 90%, or higher, for each locally assessed major class of property, except agricultural land, at least once every four years. Municipalities not meeting the requirement must do so in the succeeding year or participate in a Department of Revenue training program. Major class of property is defined as any class that includes 5% or more of the municipality's equalized value. For purposes of this requirement, property under the swamp or waste, productive forest land, and other classifications are considered a single class. The motion would modify this provision so that each of these types of property, as well as the two new

classifications, would be considered a separate class of property. This modification and the change in the procedure for valuing undeveloped land and productive forest land would cause fewer classes of property to meet the 5% threshold, thereby making it easier for municipalities to comply with the requirement.

Finally, the motion would modify current law provisions related to trespassing on land by changing the term "undeveloped land" to "open land." This change would avoid confusion that could result from having the statutes utilize identical terms with different meanings.

Although the motion would first apply to property assessed as of January 1, 2004, changes in values and taxes for the 2004(05) property tax year are speculative at this point in time, so the following analysis relies on data from the 2002(03) property tax year. The Department of Revenue set the statewide equalized value of taxable property for 2002 at \$335,326.5 million, of which \$1,546.9 million was classified as swamp or waste and \$8,742.8 million was classified as productive forest land. Under the motion, land classified as undeveloped land and agricultural forest would be assessed at 50% of fair market value, reducing equalized values by an estimated \$1,918.4 million. This represents a 0.5% reduction in statewide taxable values.

A statewide property tax is the primary source of funding for the state's forestry account in the conservation fund. Forestry account revenues are used to fund several state forestry programs and related administrative activities. The tax is frequently referred to as the "forestry mill tax." The Wisconsin Constitution limits the rate of taxation to no more than 0.2 mills, or 20 cents per \$1,000 of property value, and the state statutes have authorized a tax at that rate since 1937. In 2002-03, the tax is estimated to generate \$67.1 million in revenues. The loss of \$1,918.4 million in value would reduce state forestry taxes by an estimated \$384,000, effective in 2004-05.

Lower property values would also cause the taxes on property classified as undeveloped land and agricultural forest to decline. Currently, taxes on that property are estimated at \$65.2 million. Under the motion, estimated taxes on the affected property would decrease by \$30.1 million to \$35.1 million. This represents a 46.2% reduction.

Reductions in taxable value do not result in an overall reduction in property tax levies, except for state forestry taxes. Instead, value reductions cause property taxes to be shifted from property with decreasing property values to other property. Reductions in property values cause property tax rates to increase. This explains why the reduction in taxes on the affected property (-46.2%) is not equal to the reduction in that property's taxable value (-50.0%). Under the motion, the statewide average property tax rate would increase by an estimated \$0.13 per \$1,000 of value, from \$21.95 to \$22.08. This would cause the taxes on a median-valued home in the state, which is taxed at the statewide average tax rate, to increase by an estimated \$15 (0.6%). The motion would have different effects relative to individual property owners depending on the amount of undeveloped land and agricultural forest lands in the same taxing jurisdictions, as well as other factors relating to the property's level of taxation. In municipalities where property classified as swamp or waste and agricultural forest land is concentrated, residential tax bill increases, particularly in the first year after values decline, would be likely to exceed 0.6%.

The motion would also have a number of secondary effects relative to property taxation. These include the distribution of tax base-sensitive state aids, the level of allowable debt, and the repayment of tax increment district costs. The redistribution of tax base sensitive aids would mitigate some of the estimated tax shifts in municipalities where property classified as swamp or waste and agricultural forest land is concentrated. However, some of these mitigating effects would not occur until the proposal's second year because the general school aid formula uses prior year data, rather than data from the current year. Some of the other secondary impacts would be minor.

Under the motion and Committee action to date, a total of \$3,900,000 annually would be available for ethanol producer grants (\$2,900,000 in tribal gaming PR and \$1,000,000 GPR). This represents a 32% increase to the \$2,945,000 in base level funding available in 2002-03. The ethanol producer grant program provides ethanol producers who produce more than 10 million gallons of ethanol in a year with a 20¢ per gallon grant for every gallon of ethanol produced (for a maximum of 15 million gallons, or a \$3 million annual grant). If funds are insufficient to provide grants for all eligible producers, DATCP pro-rates available funds according to total ethanol produced. This program sunsets on June 30, 2006.

DATCP's soil and water management program GPR appropriation would be reduced by \$500,000 annually. This would represent a 5% reduction and leave DATCP with \$5,081,900 GPR and \$3,725,100 SEG in funding for local staffing grants and for grants to landowners for the installation of nonpoint source water pollution abatement best management practices (for a total of \$8,807,000 annually).

Tourism would be provided \$9,655,900 annually (\$5,686,400 GPR and \$3,969,500 tribal gaming PR) for tourism marketing. This would reflect a 10% base reduction in tourism marketing funding, but an increase of 2% to actual funds available in 2002-03.

[Change to Bill: -\$384,000 SEG-REV and -\$20,700,000 GPR]

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 AN ACT *to renumber* 70.57 (3); *to amend* 70.05 (5) (a) 1m., 70.32 (2) (a) 5., 70.32
2 (2) (c) 4., 74.485 (4) (a), 77.04 (2), 943.13 (1e) (f) (intro.), 943.13 (1m) (a) and
3 943.13 (1m) (e); and *to create* 70.32 (4), 70.57 (3) (b) and 70.57 (3) (c) of the
4 statutes; **relating to:** the property tax imposed on productive forest land and
5 swampland or wasteland.

Analysis by the Legislative Reference Bureau

Under current law, the property tax classification "swampland or wasteland" means a bog, a marsh, lowland brush, uncultivated land that is zoned as shoreland, and any other unproductive land that is not otherwise classified for property tax purposes. This bill changes the "swampland or wasteland" property tax classification to "undeveloped land" and requires that undeveloped land be assessed at 25% of its value as undeveloped land. Also, under the bill, for property tax purposes, productive forest land will be assessed at 25% of its value as productive forest land.

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:

1 **SECTION 1.** 70.05 (5) (a) 1m. of the statutes is amended to read:

2 ✓ 70.05 (5) (a) 1m. "Class of property" means residential under s. 70.32 (2) (a) 1.;
3 commercial under s. 70.32 (2) (a) 2.; personal property; or ~~the sum of swamp or waste~~
4 undeveloped under s. 70.32 (2) (a) 5., productive forest land under s. 70.32 (2) (a) 6.,
5 and other under s. 70.32 (2) (a) 7.

6 **SECTION 2.** 70.32 (2) (a) 5. of the statutes is amended to read:

7 ✓ 70.32 (2) (a) 5. ~~Swamp or waste~~ Undeveloped.

8 **SECTION 3.** 70.32 (2) (c) 4. of the statutes is amended to read:

9 70.32 (2) (c) 4. "~~Swampland or wasteland~~" "Undeveloped land" means bog,
10 ✓ marsh, lowland brush, uncultivated land zoned as shoreland under s. 59.692 and
11 shown as a wetland on a final map under s. 23.32 or other nonproductive lands not
12 otherwise classified under this subsection.

13 **SECTION 4.** 70.32 (4) of the statutes is created to read:

14 70.32 (4) Beginning with the assessments as of January 1, 2004, productive
15 ✓ forest land located in an unincorporated area shall be assessed at 25% of its value
16 as productive forest land and undeveloped land shall be assessed at 25% of its value
17 as undeveloped land.

18 ✓ **SECTION 5.** 70.57 (3) of the statutes is renumbered 70.57 (3) (a).

19 **SECTION 6.** 70.57 (3) (b) of the statutes is created to read:

20 ✓ 70.57 (3) (b) In determining the value under sub. (1) of productive forest land,
21 as defined in s. 70.32 (2) (c) 2., that is located in an unincorporated area, the
22 department shall fulfill the requirements under s. 70.32 (4).

23 ✓ **SECTION 7.** 70.57 (3) (c) of the statutes is created to read:

1 70.57 (3) (c) In determining the value under sub. (1) of undeveloped land, as
2 defined in s. 70.32 (2) (c) 4., the department shall fulfill the requirements under s.
3 70.32 (4).

4 SECTION 8. 74.485 (4) (a) of the statutes is amended to read:

5 74.485 (4) (a) A person who owns land that has been assessed as agricultural
6 land under s. 70.32 (2r) and who converts the land's use so that the land is not eligible
7 to be assessed as agricultural land under s. 70.32 (2r) is not subject to a penalty under
8 sub. (2) if the converted land may be assessed as ~~swamp or waste~~ undeveloped land
9 under s. 70.32 (2) (a) 5., as productive forest land under s. 70.32 (2) (a) 6., or as other
10 under s. 70.32 (2) (a) 7. or if the amount of the penalty determined under sub. (2)
11 represents less than \$25 for each acre of converted land.

12 SECTION 9. 77.04 (2) of the statutes is amended to read:

13 77.04 (2) TAX PER ACRE; PAYMENT; PENALTY. The "acreage share" shall be
14 computed at the rate of 10 cents per acre on all lands entered prior to 1972. On all
15 lands entered after December 31, 1971, the "acreage share" shall be computed every
16 10 years to the nearest cent by the department of revenue at the rate of 20 cents per
17 acre multiplied by a ratio using the equalized value of the combined residential,
18 commercial, manufacturing, agricultural, ~~swamp, or waste~~ undeveloped land, and
19 productive forest land classes under s. 70.32 (2) within the state in 1972 as the
20 denominator, and using equalized value for these combined land classes in 1982 and
21 every 10th year thereafter as the numerator. All owners shall pay to the taxation
22 district treasurer the acreage share on each description on or before January 31. If
23 the acreage share is not paid when due to the taxation district treasurer it shall be
24 subject to interest and penalty as provided under ss. 74.11 (11), 74.12 (10) and 74.47.
25 These lands shall be returned as delinquent and a tax certificate under subch. VII

1 of ch. 74 shall be issued on them. After 2 years from the date of the issuance of a tax
2 certificate, the county clerk shall promptly take a tax deed under ch. 75. On taking
3 such deed the county clerk shall certify that fact and specify the descriptions to the
4 department of natural resources.

5 **SECTION 10.** 943.13 (1e) (f) (intro.) of the statutes is amended to read:

6 943.13 (1e) (f) (intro.) "Undeveloped open land" means land that meets all of
7 the following criteria:

8 **SECTION 11.** 943.13 (1m) (a) of the statutes is amended to read:

9 943.13 (1m) (a) Enters any enclosed, cultivated or undeveloped open land of
10 another, other than undeveloped open land specified in par. (e) or (f), without the
11 express or implied consent of the owner or occupant.

12 **SECTION 12.** 943.13 (1m) (e) of the statutes is amended to read:

13 943.13 (1m) (e) Enters or remains on undeveloped open land that is an
14 inholding of another after having been notified by the owner or occupant not to enter
15 or remain on the land.

16 **SECTION 13. Initial applicability.**

17 (1) The treatment of sections 70.05 (5) (a) 1m., 70.32 (2) (a) 5. and (c) 4. and (4),
18 74.485 (4) (a), and 77.04 (2) of the statutes, the renumbering of section 70.57 (3) of
19 the statutes, and the creation of section 70.57 (3) (b) and (c) of the statutes first apply
20 to the property tax assessments as of January 1, 2004.

21 **SECTION 14. Effective date.**

22 (1) The treatment of sections 943.13 (1e) (f) (intro.) and (1m) (a) and (e) of the
23 statutes takes effect on January 1, 2004.

24 (END)



JK:.....
jld

LFB:.....Runde (FA) – Assessment of undeveloped land and agricultural forest

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO 2003 SENATE BILL 44

in 6-4-03

JOON

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

2 1. Page 667, line 16: after that line insert:

3 "SECTION 1536b. 70.05 (5) (a) 1m. of the statutes is amended to read:

4 70.05 (5) (a) 1m. "Class of property" means residential under s. 70.32 (2) (a) 1.;
5 commercial under s. 70.32 (2) (a) 2.; personal property; ~~or the sum of swamp or waste~~
6 undeveloped under s. 70.32 (2) (a) 5.; agricultural forest under s. 70.32 (2) (a) 5m.;
7 productive forest land under s. 70.32 (2) (a) 6. ~~and~~ or other under s. 70.32 (2) (a) 7.

8 History: 1973 c. 90; 1975 c. 39, 199; 1979 c. 221; 1981 c. 20; 1983 a. 27; 1985 a. 332 s. 10; 1987 a. 399; 1989 a. 56; 1991 a. 39, 316; 1995 a. 27, 212.

8 SECTION 1536d. 70.32 (2) (a) (intro.) of the statutes is amended to read:

9 70.32 (2) (a) (intro.) The assessor shall segregate into the following classes on
10 the basis of use and set down separately in proper columns the values of the land,

1 exclusive of improvements, and, except for subds. 5., 5m. ✓ and 6., the improvements
2 in each class:

repealed and recreated

History: 1973 c. 90; 1977 c. 29, 418; 1979 c. 34; 1981 c. 20, 390; 1983 a. 36; 1983 a. 275 s. 15 (8); 1983 a. 410; 1985 a. 54, 153; 1991 a. 39, 316; 1993 a. 337; 1995 a. 27, 201, 227; 1999 a. 9; 2001 a. 109.

3
4

FIX Component

SECTION 1536e. 70.32 (2) (a) 5. ✓ of the statutes is ~~amended~~ to read:

70.32 (2) (a) 5. ~~Swamp or waste~~ Undeveloped *plain*

History: 1973 c. 90; 1977 c. 29, 418; 1979 c. 34; 1981 c. 20, 390; 1983 a. 36; 1983 a. 275 s. 15 (8); 1983 a. 410; 1985 a. 54, 153; 1991 a. 39, 316; 1993 a. 337; 1995 a. 27, 201, 227; 1999 a. 9; 2001 a. 109.

5 **SECTION 1536f.** 70.32 (2) (a) 5m. ✓ of the statutes is created to read:

6 70.32 (2) (a) 5m. ✓ Agricultural forest.

7 **SECTION 1536g.** 70.32 (2) (c) 1. ✓ of the statutes is renumbered 70.32 (2) (c) 1g. ✓

8 **SECTION 1536h.** 70.32 (2) (c) 1d. ✓ of the statutes is created to read:

9 70.32 (2) (c) 1d. "Agricultural forest land" ✓ means land that is producing or is
10 capable of producing commercial forest products and is included on a parcel that has
11 been classified in part as agricultural land under this subsection ✓ or is contiguous to
12 a parcel that has been classified in part as agricultural land under this subsection,
13 if the contiguous parcel is owned by the same person that owns the land that is
14 producing or is capable of producing commercial forest products. In this subdivision,
15 "contiguous" includes separated only by a road.

16 **SECTION 1536i.** 70.32 (2) (c) 4. ✓ of the statutes is amended to read:

17 70.32 (2) (c) 4. ~~"Swampland or wasteland"~~ "Undeveloped land" ✓ means bog,
18 marsh, lowland brush, uncultivated land zoned as shoreland under s. 59.692 and
19 shown as a wetland on a final map under s. 23.32 or other nonproductive lands not
20 otherwise classified under this subsection.

History: 1973 c. 90; 1977 c. 29, 418; 1979 c. 34; 1981 c. 20, 390; 1983 a. 36; 1983 a. 275 s. 15 (8); 1983 a. 410; 1985 a. 54, 153; 1991 a. 39, 316; 1993 a. 337; 1995 a. 27, 201, 227; 1999 a. 9; 2001 a. 109.

21 **SECTION 1536j.** 70.32 (4) ✓ of the statutes is created to read:

22 70.32 (4) Beginning with the assessments as of January 1, 2004, ✓ agricultural
23 forest land shall be assessed at 50% of its full value, as determined under sub. (1), ✓

1 and undeveloped land shall be assessed at 50% of its full value, as determined under
2 sub. (1)."

3 **2.** Page 670, line 10: after that line insert:

4 "SECTION 1545d. 70.57 (3) of the statutes is renumbered 70.57 (3) (a).

5 SECTION 1545e. 70.57 (3) (b) of the statutes is created to read:

6 70.57 (3) (b) In determining the value under sub. (1) of agricultural forest land,
7 as defined in s. 70.32 (2) (c) 1d., and undeveloped land, as defined in s. 70.32 (2) (c)
8 4., the department shall fulfill the requirements under s. 70.32 (4)."

9 **3.** Page 708, line 23: delete "s. 70.32 (2) (c) 1." and substitute "s. 70.32 (2) (c)

10 ~~1. 1g.~~ ← scored comma

11 **4.** Page 712, line 8: after that line insert:

12 "SECTION 1628d. 74.09 (3) (b) 1. of the statutes is amended to read:

13 74.09 (3) (b) 1. For real property, the estimated fair market value of the land,
14 except agricultural land, as defined in s. 70.32 (2) (c) ~~1. 1g.~~, and the assessed value
15 of the land and the estimated fair market value and assessed value of the
16 improvements.

17 History: 1987 a. 378; 1989 a. 31; 1991 a. 39, 60; 1993 a. 399; 1995 a. 27, 454; 1997 a. 27.

18 SECTION 1628e. 74.09 (3) (b) 2. of the statutes is amended to read:

19 74.09 (3) (b) 2. For all property, the total estimated fair market value, except
20 that the estimated fair market value of agricultural land, as defined in s. 70.32 (2)
(c) ~~1. 1g.~~, shall be excluded, and the total assessed value."

History: 1987 a. 378; 1989 a. 31; 1991 a. 39, 60; 1993 a. 399; 1995 a. 27, 454; 1997 a. 27.

21 **5.** Page 713, line 3: after that line insert:

22 "SECTION 1632d. 74.485 (1) of the statutes is amended to read:

1 74.485 (1) DEFINITION. In this section, "agricultural land" has the meaning
2 given in s. 70.32 (2) (c) ~~1.~~ 1g.✓

3 History: 2001 a. 109.

3 **SECTION 1632e.** 74.485 (4) (a)✓ of the statutes is amended to read:

4 74.485 (4) (a) A person who owns land that has been assessed as agricultural
5 land under s. 70.32 (2r) and who converts the land's use so that the land is not eligible
6 to be assessed as agricultural land under s. 70.32 (2r) is not subject to a penalty under
7 sub. (2) if the converted land may be assessed as ~~swamp or waste~~ undeveloped✓ under
8 s. 70.32 (2) (a) 5., as agricultural forest under s. 70.32 (2) (a) 5m.✓, as productive forest
9 land under s. 70.32 (2) (a) 6., or as other under s. 70.32 (2) (a) 7. or if the amount of
10 the penalty determined under sub. (2) represents less than \$25 for each acre of
11 converted land."✓

12 History: 2001 a. 109.

12 **6.** Page 718, line 20: after that line insert:

13 "SECTION 1641d. ⁶ 77.04 (2)✓ of the statutes is amended to read:

14 77.04 (2) TAX PER ACRE; PAYMENT; PENALTY. The "acreage share" shall be
15 computed at the rate of 10 cents per acre on all lands entered prior to 1972. On all
16 lands entered after December 31, 1971, the "acreage share" shall be computed every
17 10 years to the nearest cent by the department of revenue at the rate of 20 cents per
18 acre multiplied by a ratio using the equalized value of the combined residential,
19 commercial, manufacturing, agricultural, ~~swamp, or waste~~ undeveloped,✓
20 agricultural forest,✓ and productive forest land classes under s. 70.32 (2) within the
21 state in 1972 as the denominator, and using equalized value for these combined land
22 classes in 1982 and every 10th year thereafter as the numerator. All owners shall
23 pay to the taxation district treasurer the acreage share on each description on or
24 before January 31. If the acreage share is not paid when due to the taxation district

1 treasurer it shall be subject to interest and penalty as provided under ss. 74.11 (11),
 2 74.12 (10) and 74.47. These lands shall be returned as delinquent and a tax
 3 certificate under subch. VII of ch. 74 shall be issued on them. After 2 years from the
 4 date of the issuance of a tax certificate, the county clerk shall promptly take a tax
 5 deed under ch. 75. On taking such deed the county clerk shall certify that fact and
 6 specify the descriptions to the department of natural resources. Fix
NOCS

History: 1971 c. 215; 1975 c. 39, 211; 1977 c. 418; 1981 c. 20, 167, 391; 1983 a. 275 s. 15 (8); 1983 a. 405, 538; 1985 a. 332 s. 251 (2); 1987 a. 378.

7 **7.** Page 1030, line 7: after that line insert:

8 **SECTION 2737d.** 943.13 (1e) (f) (intro.) of the statutes is amended to read:

9 943.13 (1e) (f) (intro.) "Undeveloped "Open land" means land that meets all of
 10 the following criteria:

History: 1971 c. 317; 1977 c. 173, 295; 1979 c. 32; 1983 a. 418; 1987 a. 27; 1989 a. 31; 1993 a. 342, 486; 1995 a. 45, 451; 1997 a. 248; 1999 a. 9.

11 **SECTION 2737e.** 943.13 (1m) (a) of the statutes is amended to read:

12 943.13 (1m) (a) Enters any enclosed, cultivated or undeveloped land of another,
 13 other than undeveloped open land specified in par. (e) or (f), without the express or
 14 implied consent of the owner or occupant.

History: 1971 c. 317; 1977 c. 173, 295; 1979 c. 32; 1983 a. 418; 1987 a. 27; 1989 a. 31; 1993 a. 342, 486; 1995 a. 45, 451; 1997 a. 248; 1999 a. 9.

15 **SECTION 2737f.** 943.13 (1m) (e) of the statutes is amended to read:

16 943.13 (1m) (e) Enters or remains on undeveloped open land that is an
 17 inholding of another after having been notified by the owner or occupant not to enter
 18 or remain on the land."

History: 1971 c. 317; 1977 c. 173, 295; 1979 c. 32; 1983 a. 418; 1987 a. 27; 1989 a. 31; 1993 a. 342, 486; 1995 a. 45, 451; 1997 a. 248; 1999 a. 9.

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

20 "(2d) ASSESSMENT OF UNDEVELOPED LAND AND AGRICULTURAL FOREST LAND. The
 21 treatment of sections 70.05 (5) (a) 1m., 70.32 (2) (a) (intro.) (3) ~~and~~ ^{plain} 5. and (c) 4, 73.03 and (4)
 22 (2a) (as it applies to classifying agricultural land), 74.09 (3) (b) 1. and 2., 74.485 (1)
 23 and (4) (a), and 77.04 (2) of the statutes, the renumbering of sections 70.32, 70.33, 70.34, 70.35, 70.36, 70.37, 70.38, 70.39, 70.40, 70.41, 70.42, 70.43, 70.44, 70.45, 70.46, 70.47, 70.48, 70.49, 70.50, 70.51, 70.52, 70.53, 70.54, 70.55, 70.56, 70.57, 70.58, 70.59, 70.60, 70.61, 70.62, 70.63, 70.64, 70.65, 70.66, 70.67, 70.68, 70.69, 70.70, 70.71, 70.72, 70.73, 70.74, 70.75, 70.76, 70.77, 70.78, 70.79, 70.80, 70.81, 70.82, 70.83, 70.84, 70.85, 70.86, 70.87, 70.88, 70.89, 70.90, 70.91, 70.92, 70.93, 70.94, 70.95, 70.96, 70.97, 70.98, 70.99, 71.00, 71.01, 71.02, 71.03, 71.04, 71.05, 71.06, 71.07, 71.08, 71.09, 71.10, 71.11, 71.12, 71.13, 71.14, 71.15, 71.16, 71.17, 71.18, 71.19, 71.20, 71.21, 71.22, 71.23, 71.24, 71.25, 71.26, 71.27, 71.28, 71.29, 71.30, 71.31, 71.32, 71.33, 71.34, 71.35, 71.36, 71.37, 71.38, 71.39, 71.40, 71.41, 71.42, 71.43, 71.44, 71.45, 71.46, 71.47, 71.48, 71.49, 71.50, 71.51, 71.52, 71.53, 71.54, 71.55, 71.56, 71.57, 71.58, 71.59, 71.60, 71.61, 71.62, 71.63, 71.64, 71.65, 71.66, 71.67, 71.68, 71.69, 71.70, 71.71, 71.72, 71.73, 71.74, 71.75, 71.76, 71.77, 71.78, 71.79, 71.80, 71.81, 71.82, 71.83, 71.84, 71.85, 71.86, 71.87, 71.88, 71.89, 71.90, 71.91, 71.92, 71.93, 71.94, 71.95, 71.96, 71.97, 71.98, 71.99, 72.00, 72.01, 72.02, 72.03, 72.04, 72.05, 72.06, 72.07, 72.08, 72.09, 72.10, 72.11, 72.12, 72.13, 72.14, 72.15, 72.16, 72.17, 72.18, 72.19, 72.20, 72.21, 72.22, 72.23, 72.24, 72.25, 72.26, 72.27, 72.28, 72.29, 72.30, 72.31, 72.32, 72.33, 72.34, 72.35, 72.36, 72.37, 72.38, 72.39, 72.40, 72.41, 72.42, 72.43, 72.44, 72.45, 72.46, 72.47, 72.48, 72.49, 72.50, 72.51, 72.52, 72.53, 72.54, 72.55, 72.56, 72.57, 72.58, 72.59, 72.60, 72.61, 72.62, 72.63, 72.64, 72.65, 72.66, 72.67, 72.68, 72.69, 72.70, 72.71, 72.72, 72.73, 72.74, 72.75, 72.76, 72.77, 72.78, 72.79, 72.80, 72.81, 72.82, 72.83, 72.84, 72.85, 72.86, 72.87, 72.88, 72.89, 72.90, 72.91, 72.92, 72.93, 72.94, 72.95, 72.96, 72.97, 72.98, 72.99, 73.00, 73.01, 73.02, 73.03, 73.04, 73.05, 73.06, 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77.36, 77.37, 77.38, 77.39, 77.40, 77.41, 77.42, 77.43, 77.44, 77.45, 77.46, 77.47, 77.48, 77.49, 77.50, 77.51, 77.52, 77.53, 77.54, 77.55, 77.56, 77.57, 77.58, 77.59, 77.60, 77.61, 77.62, 77.63, 77.64, 77.65, 77.66, 77.67, 77.68, 77.69, 77.70, 77.71, 77.72, 77.73, 77.74, 77.75, 77.76, 77.77, 77.78, 77.79, 77.80, 77.81, 77.82, 77.83, 77.84, 77.85, 77.86, 77.87, 77.88, 77.89, 77.90, 77.91, 77.92, 77.93, 77.94, 77.95, 77.96, 77.97, 77.98, 77.99, 78.00, 78.01, 78.02, 78.03, 78.04, 78.05, 78.06, 78.07, 78.08, 78.09, 78.10, 78.11, 78.12, 78.13, 78.14, 78.15, 78.16, 78.17, 78.18, 78.19, 78.20, 78.21, 78.22, 78.23, 78.24, 78.25, 78.26, 78.27, 78.28, 78.29, 78.30, 78.31, 78.32, 78.33, 78.34, 78.35, 78.36, 78.37, 78.38, 78.39, 78.40, 78.41, 78.42, 78.43, 78.44, 78.45, 78.46, 78.47, 78.48, 78.49, 78.50, 78.51, 78.52, 78.53, 78.54, 78.55, 78.56, 78.57, 78.58, 78.59, 78.60, 78.61, 78.62, 78.63, 78.64, 78.65, 78.66, 78.67, 78.68, 78.69, 78.70, 78.71, 78.72, 78.73, 78.74, 78.75, 78.76, 78.77, 78.78, 78.79, 78.80, 78.81, 78.82, 78.83, 78.84, 78.85, 78.86, 78.87, 78.88, 78.89, 78.90, 78.91, 78.92, 78.93, 78.94, 78.95, 78.96, 78.97, 78.98, 78.99, 79.00, 79.01, 79.02, 79.03, 79.04, 79.05, 79.06, 79.07, 79.08, 79.09, 79.10, 79.11, 79.12, 79.13, 79.14, 79.15, 79.16, 79.17, 79.18, 79.19, 79.20, 79.21, 79.22, 79.23, 79.24, 79.25, 79.26, 79.27, 79.28, 79.29, 79.30, 79.31, 79.32, 79.33, 79.34, 79.35, 79.36, 79.37, 79.38, 79.39, 79.40, 79.41, 79.42, 79.43, 79.44, 79.45, 79.46, 79.47, 79.48, 79.49, 79.50, 79.51, 79.52, 79.53, 79.54, 79.55, 79.56, 79.57, 79.58, 79.59, 79.60, 79.61, 79.62, 79.63, 79.64, 79.65, 79.66, 79.67, 79.68, 79.69, 79.70, 79.71, 79.72, 79.73, 79.74, 79.75, 79.76, 79.77, 79.78, 79.79, 79.80, 79.81, 79.82, 79.83, 79.84, 79.85, 79.86, 79.87, 79.88, 79.89, 79.90, 79.91, 79.92, 79.93, 79.94, 79.95, 79.96, 79.97, 79.98, 79.99, 80.00

① ~~and~~ 70.57 (3) of the statutes, and the creation of sections ~~70.57 (2) (a) and (b)~~
 ② ~~and~~ 70.57 (3) (b) of the statutes first ~~applies~~ ^{apply} to the property tax assessments
 3 as of January 1, 2004."

4 **9.** Page 1139, line 7: after that line insert:
 5 "(2b) OPEN LAND. The treatment of sections 943.13 (1e) (f) (intro.) and (1m) (a)
 6 and (e) of the statutes takes effect on January 1, 2004."

7 (END)



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0355/1
JK:jld:jf

LFB:.....Runde (FA) – Assessment of undeveloped land and agricultural forest

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 667, line 16: after that line insert:

3 “**SECTION 1536b.** 70.05 (5) (a) 1m. of the statutes is amended to read:

4 70.05 (5) (a) 1m. “Class of property” means residential under s. 70.32 (2) (a) 1.;
5 commercial under s. 70.32 (2) (a) 2.; personal property; ~~or the sum of swamp or waste~~
6 undeveloped under s. 70.32 (2) (a) 5.; agricultural forest under s. 70.32 (2) (a) 5m.;
7 productive forest land under s. 70.32 (2) (a) 6. and; or other under s. 70.32 (2) (a) 7.

8 **SECTION 1536d.** 70.32 (2) (a) (intro.) of the statutes is amended to read:

9 70.32 (2) (a) (intro.) The assessor shall segregate into the following classes on
10 the basis of use and set down separately in proper columns the values of the land,

1 exclusive of improvements, and, except for subds. 5., 5m., and 6., the improvements
2 in each class:

3 **SECTION 1536e.** 70.32 (2) (a) 5. of the statutes is repealed and recreated to read:

4 70.32 (2) (a) 5. Undeveloped.

5 **SECTION 1536f.** 70.32 (2) (a) 5m. of the statutes is created to read:

6 70.32 (2) (a) 5m. Agricultural forest.

7 **SECTION 1536g.** 70.32 (2) (c) 1. of the statutes is renumbered 70.32 (2) (c) 1g.

8 **SECTION 1536h.** 70.32 (2) (c) 1d. of the statutes is created to read:

9 70.32 (2) (c) 1d. “Agricultural forest land” means land that is producing or is
10 capable of producing commercial forest products and is included on a parcel that has
11 been classified in part as agricultural land under this subsection or is contiguous to
12 a parcel that has been classified in part as agricultural land under this subsection,
13 if the contiguous parcel is owned by the same person that owns the land that is
14 producing or is capable of producing commercial forest products. In this subdivision,
15 “contiguous” includes separated only by a road.

16 **SECTION 1536i.** 70.32 (2) (c) 4. of the statutes is amended to read:

17 70.32 (2) (c) 4. ~~“Swampland or wasteland”~~ “Undeveloped land” means bog,
18 marsh, lowland brush, uncultivated land zoned as shoreland under s. 59.692 and
19 shown as a wetland on a final map under s. 23.32 or other nonproductive lands not
20 otherwise classified under this subsection.

21 **SECTION 1536j.** 70.32 (4) of the statutes is created to read:

22 70.32 (4) Beginning with the assessments as of January 1, 2004, agricultural
23 forest land shall be assessed at 50% of its full value, as determined under sub. (1),
24 and undeveloped land shall be assessed at 50% of its full value, as determined under
25 sub. (1).”.

1 **2.** Page 670, line 10: after that line insert:

2 “**SECTION 1545d.** 70.57 (3) of the statutes is renumbered 70.57 (3) (a).

3 **SECTION 1545e.** 70.57 (3) (b) of the statutes is created to read:

4 70.57 (3) (b) In determining the value under sub. (1) of agricultural forest land,
5 as defined in s. 70.32 (2) (c) 1d., and undeveloped land, as defined in s. 70.32 (2) (c)
6 4., the department shall fulfill the requirements under s. 70.32 (4).”.

7 **3.** Page 708, line 23: delete “s. 70.32 (2) (c) 1.” and substitute “s. 70.32 (2) (c)
8 ~~1.~~ 1g.”.

9 **4.** Page 712, line 8: after that line insert:

10 “**SECTION 1628d.** 74.09 (3) (b) 1. of the statutes is amended to read:

11 74.09 (3) (b) 1. For real property, the estimated fair market value of the land,
12 except agricultural land, as defined in s. 70.32 (2) (c) ~~1.~~ 1g., and the assessed value
13 of the land and the estimated fair market value and assessed value of the
14 improvements.

15 **SECTION 1628e.** 74.09 (3) (b) 2. of the statutes is amended to read:

16 74.09 (3) (b) 2. For all property, the total estimated fair market value, except
17 that the estimated fair market value of agricultural land, as defined in s. 70.32 (2)
18 (c) ~~1.~~ 1g., shall be excluded, and the total assessed value.”.

19 **5.** Page 713, line 3: after that line insert:

20 “**SECTION 1632d.** 74.485 (1) of the statutes is amended to read:

21 74.485 (1) **DEFINITION.** In this section, “agricultural land” has the meaning
22 given in s. 70.32 (2) (c) ~~1.~~ 1g.

23 **SECTION 1632e.** 74.485 (4) (a) of the statutes is amended to read:

1 74.485 (4) (a) A person who owns land that has been assessed as agricultural
2 land under s. 70.32 (2r) and who converts the land's use so that the land is not eligible
3 to be assessed as agricultural land under s. 70.32 (2r) is not subject to a penalty under
4 sub. (2) if the converted land may be assessed as ~~swamp or waste~~ undeveloped under
5 s. 70.32 (2) (a) 5., as agricultural forest under s. 70.32 (2) (a) 5m., as productive forest
6 land under s. 70.32 (2) (a) 6., or as other under s. 70.32 (2) (a) 7. or if the amount of
7 the penalty determined under sub. (2) represents less than \$25 for each acre of
8 converted land.”.

9 **6.** Page 718, line 20: after that line insert:

10 “**SECTION 1646d.** 77.04 (2) of the statutes is amended to read:

11 77.04 (2) TAX PER ACRE; PAYMENT; PENALTY. The “acreage share” shall be
12 computed at the rate of 10 cents per acre on all lands entered prior to 1972. On all
13 lands entered after December 31, 1971, the “acreage share” shall be computed every
14 10 years to the nearest cent by the department of revenue at the rate of 20 cents per
15 acre multiplied by a ratio using the equalized value of the combined residential,
16 commercial, manufacturing, agricultural, ~~swamp, or waste~~ undeveloped,
17 agricultural forest, and productive forest land classes under s. 70.32 (2) within the
18 state in 1972 as the denominator, and using equalized value for these combined land
19 classes in 1982 and every 10th year thereafter as the numerator. All owners shall
20 pay to the taxation district treasurer the acreage share on each description on or
21 before January 31. If the acreage share is not paid when due to the taxation district
22 treasurer it shall be subject to interest and penalty as provided under ss. 74.11 (11),
23 74.12 (10) and 74.47. These lands shall be returned as delinquent and a tax
24 certificate under subch. VII of ch. 74 shall be issued on them. After 2 years from the

1 date of the issuance of a tax certificate, the county clerk shall promptly take a tax
2 deed under ch. 75. On taking such deed the county clerk shall certify that fact and
3 specify the descriptions to the department of natural resources.”.

4 **7.** Page 1030, line 7: after that line insert:

5 “**SECTION 2737d.** 943.13 (1e) (f) (intro.) of the statutes is amended to read:

6 943.13 (1e) (f) (intro.) “~~Undeveloped~~ Open land” means land that meets all of
7 the following criteria:

8 **SECTION 2737e.** 943.13 (1m) (a) of the statutes is amended to read:

9 943.13 (1m) (a) Enters any enclosed, cultivated or undeveloped land of another,
10 other than undeveloped open land specified in par. (e) or (f), without the express or
11 implied consent of the owner or occupant.

12 **SECTION 2737f.** 943.13 (1m) (e) of the statutes is amended to read:

13 943.13 (1m) (e) Enters or remains on undeveloped open land that is an
14 inholding of another after having been notified by the owner or occupant not to enter
15 or remain on the land.”.

16 **8.** Page 1122, line 21: after that line insert:

17 “(2d) ASSESSMENT OF UNDEVELOPED LAND AND AGRICULTURAL FOREST LAND. The
18 treatment of sections 70.05 (5) (a) 1m., 70.32 (2) (a) (intro.), 5., and 5m. and (c) 1., 1d.,
19 and 4. and (4), 73.03 (2a) (as it applies to classifying agricultural land), 74.09 (3) (b)
20 1. and 2., 74.485 (1) and (4) (a), and 77.04 (2) of the statutes, the renumbering of
21 section 70.57 (3) of the statutes, and the creation of section 70.57 (3) (b) of the statutes
22 first apply to the property tax assessments as of January 1, 2004.”.

23 **9.** Page 1139, line 7: after that line insert:

