



2003 SENATE BILL 431

February 4, 2004 – Introduced by Senators SCHULTZ, BRESKE, ROESSLER and WELCH, cosponsored by Representatives LOTHIAN, GRONEMUS, HAHN, HINES, ALBERS, KRAWCZYK, SERATTI, AINSWORTH, GUNDERSON and KAUFERT. Referred to Committee on Homeland Security, Veterans and Military Affairs and Government Reform.

1 **AN ACT** *to amend* 76.39 (2) of the statutes; **relating to:** the gross earnings tax
2 on car line companies.

Analysis by the Legislative Reference Bureau

Under current law, instead of paying local general property taxes, a car line company annually pays a state tax that is equal to 3 percent of the company's gross earnings. A car line company is a business that, generally, leases railroad cars and other railroad transportation equipment to a railroad. Under this bill, beginning with tax payments that are due on September 10, 2004, the tax on a car line company is equal to 2.25 percent of the company's gross earnings.

For further information see the **state** 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:

3 **SECTION 1.** 76.39 (2) of the statutes is amended to read:
4 76.39 (2) There is levied annually a gross earnings tax in lieu of all property
5 taxes on the car line equipment of a car line company equal to ~~3%~~ 2.25 percent of the
6 gross earnings in this state. Every railroad company operating in this state shall,

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1 upon making payment to each car line company for use of its cars, withhold ~~3%~~ 2.25
2 percent of the amount constituting the gross earnings in this state of such car line
3 company.

4 **SECTION 2. Initial applicability.**

5 (1) This act first applies to the assessment year 2005 and to tax payments due
6 no later than September 10, 2004.

7 (END)