

Wisconsin Property Taxpayers, Inc.

PO Box 1493
Madison, Wisconsin 53701
(608) 255-7473

AB322

February 20, 2003

Rep. Steve Wieckert
16 W. State Capitol
Madison, Wisconsin

Re: LRB-2053/1 Relating to claiming property tax credit.

Steve
Rep. Wieckert:

Thank-you for drafting and sponsoring LRB-2053/1 which would eliminate the requirement that residential property owners reapply for the lottery and gaming property tax credit once every five years.

In our view this requirement is wholly unnecessary. Once an owner has certified the property as the person's principal residence and therefore eligible to receive the lottery and gaming property tax credit, it should continue to be eligible without further review so long as it remains the owner's principle residence.

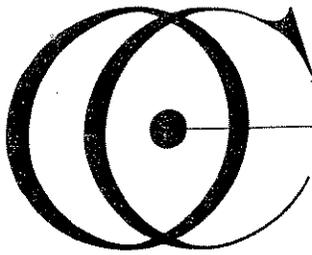
There are other, less costly and more taxpayer friendly mechanisms for reviewing a property's eligibility.

We strongly endorse this money- and trouble-saving initiative. We encourage all of your colleagues to support this bill.

Sincerely,

Mike

Michael M. Birkley
Legislative Director



DINA MUMFORD
TREASURER

OUTAGAMIE COUNTY

410 S. WALNUT ST. APPLETON, WISCONSIN 54911

ADMINISTRATION BUILDING
OFFICE OF TREASURER

PHONE (920) 832-5065

FAX: (920) 832-4923

February 27, 2003

Rep. Alvin R. Ott
Rep. Becky Weber
Rep. John Ainsworth
Rep. Jean Hundertmark
Rep. Terri McCormick

Dear Outagamie County Representatives,

I am asking for your support on LRB2053 in which Representative Steve Wieckert has introduced.

This bill eliminates the requirement that the property owner reapply for the lottery and gaming property tax credit once every five years. Outagamie County has been updating the lottery credits on our database consistently since 1999. To wipe out a data file that has been created and maintained for five years and start over is imprudent and a waste of state and county tax dollars.

The Wisconsin County Treasurer's Association is fully supporting LRB2053, which shows support throughout the State of Wisconsin. In the time of this budget crisis LRB2053 makes so much sense.

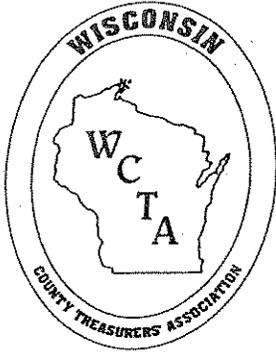
If you have any questions please contact me.

Sincerely,

Dina Mumford
Outagamie County Treasurer

cc: Steve Wieckert

Copy of e-mail sent to the above representatives on February 27, 2003.



Wisconsin County Treasurers' Association

March 18, 2003

Representative Steve Wieckert, 57th Assembly District
Room 16 West, State Capitol
Post Office Box 8953
Madison, Wisconsin 53708

Representative Wieckert:

I am the President of the Wisconsin County Treasurers Association, and I am writing to you on behalf of the seventy-two county treasurers of this State.

First, we wish to thank you for recognizing and responding to an unreasonable consequence of a requirement of WIS STATS 79.10 relating to the lottery and gaming property tax credit.

The Wisconsin County Treasurers Association, in an informal poll, is unanimous in its support of your proposed legislation, LRB 2053, relating to claiming the lottery and gaming property tax credit. We believe this bill is fiscally responsible, eliminating unnecessary expenses for both the State and counties. We believe this bill recognizes the extraordinary on-going efforts of county and municipal treasurers to extend the lottery and gaming credit to all their eligible property owners.

Under current law, property owners must reapply for the lottery and gaming credit once every five years. This certification process requires the purchase of printed standardized post cards; requires county treasurers to prepare these cards for mailing by removing the perforated tractor feed, folding and sealing; requires counties to mail such cards to all property owners who own an improved property because that property might be eligible for the lottery and gaming credit; requires county treasurers, immediately subsequent to the mass mailing, to respond to hundreds of phone and written inquiries about the cards and about the lottery and gaming credit; requires that county treasurers receive all cards signed and returned by property owners, to sort the same and to enter all the responses in a database. These requirements result in a significant cost to counties, both direct and indirect in the form of employee cost to perform the labor-intensive job tasks.

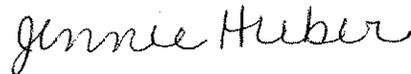
In addition, the State of Wisconsin has the expense of compensating each county at the rate of 70 cents per claim; however, this reimbursement is not an amount sufficient to reimburse counties for all the costs incurred in complying with the statutory requirements for recertification of the lottery and gaming credit.

Since its inception, county treasurers have been diligent about creating and maintaining their databases of properties eligible for the lottery and gaming credit. They are confident that the systems are accurate and their assumptions are supported by the fact that the number of late claims submitted

each year is insignificant and by the fact that few chargebacks of the lottery and gaming credits are ordered by the State Lottery and Gaming Credit Audit Committee. County treasurers are united in their concern about the need to destroy a verifiable, valuable database and about the resultant need to create a second file that will lack the accuracy of the now-existing file and will, inevitably, deprive some property owners of their rightful claim to the lottery and gaming credit due to their inadvertent error or neglect.

Again, my personal thanks, Representative Wieckert, for your efforts on behalf of county treasurers. In this time of fiscal crisis, I appreciate your concern about an unnecessary expense for local taxpayers, for counties and for the State of Wisconsin.

Sincerely,



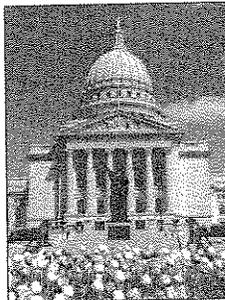
Jennie Huber
Oneida County Treasurer
President, WI County Treasurers' Association

JH:

To: Janice Gettelman, Treasurer
Washington Co.

Pamela Reeves, Treasurer
Waukesha & Co.

FROM THE DESK OF



Michael (Mickey)
Lehman

State Representative • 99th Assembly District

Capitol Office: P. O. Box 8952
Madison, Wisconsin 53708-8952
(608) 267-2367 • Fax: (608) 282-3699

Home: 1317 Honeysuckle Road
Hartford, Wisconsin 53027
(262) 673-3967

Rep.LehmanM@legis.state.wi.us
Call Toll-Free: (888) 534-0099

May 13, 2003

The following bill, AB 322, was recently referred to the committee I chair, the Ways & Means Committee. As you will note, the bill eliminates the requirement that a property owner reapply for the lottery and gaming property tax credit once every five years.

I would appreciate hearing your views on this proposal. You can e-mail me, or call my toll-free number at your convenience.

From: Janice.Gettelman@co.washington.wi.us
Sent: Thursday, June 05, 2003 1:31 PM
To: rep.lehmanm@legis.state.wi.us
Subject: AB 322

Rep Lehman,

I see that AB322 is on the agenda for Wed., June 11 at 10:00 am.

Many of the County Treasurers will be in Fond du Lac for our June Seminar. We have a class that day that will go until 4:00 PM.

Concerning AB322:

Thank you for eliminating the requirement that the property owner reapply for the lottery and gaming credit once every five years. That would lift a great burden and save a lot of problems for the taxpayer.

You asked me once about using the Real Estate Transfer Form for certifying the Lottery Credit. At the time I wasn't sure it would work.

However, if it could be used as an either or tool, it would be great.

Either we sign up new sold properties with a signed claim form, OR checking the Wisconsin Real Estate Transfer Return and if box 46b is checked, we could sign the property up that way.

46b states "Check if Grantee's Primary Residence.

Thank you for your consideration.

Janice Gettelman
Washington County Treasurer
432 E Washington St-P O Box 1986
West Bend WI 53095

phone: (262) 335-4375
also phone: 1-800-616-0446 ext-4375

fax: (262) 335-4326
e-mail: janice.gettelman@co.washington.wi.us



22 EAST MIFFLIN STREET, SUITE 900
MADISON, WI 53703
TOLL FREE: 1.866.404.2700
PHONE: 608.663.7188
FAX: 608.663.7189

MEMORANDUM

TO: Honorable Members of the Assembly Committee on Ways and Means

FROM: Allison Bussler, Senior Legislative Associate *AB*

DATE: June 11, 2003

RE: Support for Assembly Bill 322

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.

Currently, counties are mandated to certify Lottery and Gaming Property Tax Credit claims against real estate taxes by sending cards to all improved parcels every five years. The certification process is very labor intensive and includes printing and finishing the cards, removing the perforated tractor feed, mailing the cards, and then entering all the responses into the database. The State of Wisconsin reimburses counties at the rate of \$0.70 per card, which is insufficient to cover county costs related to processing these cards.

County Treasurers are of the belief that recertifying the Lottery and Gaming Property Tax Credit every five years is unnecessary for a number of reasons. First of all, if someone has recently moved they can call the municipal or county treasurer at any time to register for the lottery tax credit. Even if they have received their property tax bill and notice the credit has not been applied, any local Treasurer can make that adjustment when an individual pays their property taxes at the Treasurer's office. Finally, many Treasurers are also proactively mailing property tax certifications to areas where they suspect there are new home owners, such as new subdivisions.

Assembly Bill 322 eliminates the requirement that the property owners reapply for the Lottery and Gaming Property Tax Credit once every five years. By eliminating the recertification process, the funds that are currently used to partially reimburse counties for their administrative costs will be applied to the lottery tax credit thereby increasing property tax relief.

The Wisconsin Counties Association respectfully requests your support for AB 322.

If you have any questions, please do not hesitate to contact me at 608.663.7188.

Testimony of
State Representative Steve Wieckert
Before the
Assembly Ways and Means Committee
Regarding
AB 322-Lottery Tax Credit
June 11, 2003

Dear Mr. Chairman and committee members,

Thank you for holding a hearing on Assembly Bill 322 regarding eliminating unnecessary bureaucratic procedures in the lottery program, thereby saving Wisconsin homeowners over \$1 million in property taxes.

This legislative idea was brought to my attention by the Outagamie County Treasurer, Dina Mumford. The way the lottery tax credit program works currently is that every five years county treasurers around the state are required to send out a survey to all homeowners to ensure that they are getting the credit. The survey must be sent out to the homeowner, filled out by the homeowner, returned to the treasurer's office and then processed. The state reimburses the counties 70 cents per survey, out of proceeds from the state lottery.

Not only does this process cost \$1 million for postage and processing, but it also costs hundreds of hours of staff time by each county treasurer's office, if not more.

The unfortunate thing about this survey is it is unneeded. It is a duplication of effort, it is an unproductive part of the lottery bureaucracy. County treasurers report that they have an existing database which they update on a regular basis and report it to be very accurate. Current law would have them discard this viable data base and start over from scratch. This is a problem that needs to be corrected.

By repealing this unneeded survey we can save property taxpayers \$1 million and significantly reduce the workload on our county treasurers. Eliminating this survey requirement would therefore be a win-win situation. The taxpayers save tax dollars and the Wisconsin bureaucracy is reduced.

While a version of this repeal is in the budget, we have no assurances that it will remain in the budget through signing.

Therefore I feel it is important to continue to pursue this as a stand-alone bill to help ensure its success.

This bill has the support of county treasurers around the state and also the support of the Wisconsin Property Taxpayers Incorporated, who refer to this proposal as a "money and trouble-saving initiative."

I would be happy to answer any questions committee members may have.



State of Wisconsin • DEPARTMENT OF REVENUE

2135 RIMROCK RD. • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933
PHONE (608) 266-6468 • FAX (608) 266-5718 • <http://www.dor.state.wi.us>

Jim Doyle
Governor

Michael L. Morgan
Secretary of Revenue

Assembly Ways and Means Committee Hearing, June 11, 2003

AB 322 - Claiming the Lottery and Gaming Credit (Rep Weickert + 21; Sen. Lazich +4)

Description of Current Law and Proposed Change

- Owners of property used as a primary residence as of January 1 may claim a lottery and gaming credit. There are approximately 1.4 million properties that qualify for the credit. The credit claim is valid for five years or until the next precertification cycle. Counties and the City of Milwaukee are required to administer a precertification of lottery and gaming credit claims every five years. Counties and the City of Milwaukee are reimbursed \$0.70 per claim for the printing, programming and mailing costs associated with the precertification process. The next precertification year is 2004.
- Current law allows counties to use a certification procedure other than the five-year application process provided that the alternative method identifies property used as owner-occupied primary residences. Three counties applied for and were approved to use an alternative method in the previous precertification year.
- The bill eliminates the five-year precertification requirement. Under the bill, a property owner would be required to claim the credit only once.

Fairness/Tax Equity

- County treasurers argue that they have the electronic capability to identify eligible claimants without the administrative demands and costs associated with a precertification process. Further, any taxpayers who do not receive the credit through an automated process may make a late claim.
- On the other hand, application is required to ensure that only owner-occupiers of primary residences receive the credit. The five-year precertification process identifies changes in home construction, ownership and use of residential property that occur over the course of several years. Without a periodic application process, owners of qualifying properties may fail to receive the credit, while owners of non-qualifying properties may mistakenly receive the credit.

Impact on Economic Development

- None.

Administrative Impact/Fiscal Effect

- The proposal will reduce county administrative responsibilities. To the extent that counties are not fully reimbursed by the state for their administrative costs, the bill would result in cost

savings for the county. The bill would result in a SEG cost saving of \$980,000 every 5 years. The savings would result in a \$1 increase in the average lottery and gaming credit in precertification years.

DOR Position

- Oppose. The Department believes that some verification of eligible claims is needed.

Prepared by: Rebecca Boldt, 266-6785

June 10, 2003

RB:skr

I:\hearing\rb\ab322 hrg.doc

SB322

The undersigned County Treasurers would like to register in FAVOR of the bill before ways + means regarding the Lottery Credit re-certification.

We are unable to attend the hearing as we are in an educational session at our annual WACO Conference.

<u>County</u>	<u>Print NAME</u>	<u>Signature</u>
1. Rusk	Joanne Phetteplace	Joanne Phetteplace
2. Oneida	Jennie Huber	Jennie Huber
3. Marinette	Cris Faucett	Cris Faucett
4. Wood	Karen Kubisiak	Karen Kubisiak
5. Door	Jay Zahn	Jay Zahn
6. Walworth	Kathy Du Bois	Kathy Du Bois
7. Fond du Lac	Nancy A. Vanderkin	Nancy A. Vanderkin
8. Richland	Julie A. Keller	Julie A. Keller
9. SHEBOYGAN	Laura Henning-Lorenz	Laura Henning-Lorenz
10. Barron	Yvonne K. Ritchie	Yvonne K. Ritchie
11. Polk	Amanda C. Nissen	Amanda C. Nissen
12. Ozaukee	Karen L. Makoutz	Karen L. Makoutz
13. GREEN	SHERRIL HAWKINS	Sherril Hawkins
14. Shawano	Kay Schroeder	Kay Schroeder
15. Oconto	Victoria Coopman	Victoria Coopman
16. GRANT	Louise Ketterer	Louise Ketterer
17. CLARK	KATHRYN M BRUGGER	Kathryn M Brugger
18. OUTAGAMIE	DINA MUMFORD	Dina Mumford
19. Winnebago	Mary E Krueger	Mary E Krueger

	<u>County</u>	<u>Print Name</u>	<u>Signature</u>
0.	PRICE	Lynn NEECK	Lynn Neeck
21.	Ashland	Tracey Hoglund	Tracey A. Hoglund
2.	Dodge	Patti K. Hilker	Patti K. Hilker
13.	WAUKESHA	PAMELA REEVES	Pamela T. Reeves
14.	Milwaukee	Dorothy K Dean	Dorothy K Dean
25.	Waushara	Elaine Wedell	Elaine Wedell
26.	Marquette	Diana Campbell	Diana Campbell
27.	Jackson	Carl Bue Carol Bue	Carol Bue
28.	LaCrosse	Donna M Hanson	Donna M Hanson
29.	Monroe	Annette M. Erickson	Annette M. Erickson
30.	Sawyer	Dianne M. Ince	Diianne M Ince
31.	Bayfield	Dan Anderson	Dan Anderson
32.	Douglas	Sandy Petzold	Sandy Petzold
33.	Washburn	Janet Ullom	Janet Ullom
34.	Burnett	Joanne Pahl	Joanne Pahl
35.	JEFFERSON	JOHN E. JENSEN	John E. Jensen
36.	EAU CLAIRE	LARRY C. LOKKEN	Larry C. Lokken
37.	St. Croix	Cheryl A. Slind	Cheryl Slind
38.	LaFayette	Rebecca A. Taylor	Rebecca A. Taylor
39.	Lincoln	Jan Lemmer	Jan Lemmer
40.	LANG LAKE	JANICE BURKHART	Janice Burkhardt
41.	Vilas	Jerri Lynn Radtke	Jerri Lynn Radtke
42.	Menominee	Linda Arthur	Linda Arthur
43.	Dane	DAVID GRANENDA	David M. Granenda
44.	Columbia	Deborah A. Raimor	Deborah A. Raimor
45.	GREEN LAKE	KATHLEEN A MORRIS	Kathleen A Morris

<u>County</u>	<u>Print name</u>	<u>Signature</u>
46. Iowa	Jolene M. Millard	Jolene M. Millard
47. Marathon FLORENCE	JoAnne Friberg	JoAnne Friberg
48. Portage	Stephanie Stokes	Stephanie Stokes
49. KEWAUWEE	ANNETTE A. TESKE	Annette A. Teske
50. ADAMS	SHARLENE KLICKO	Sharlene Klicko
51. JUNEAU	ANN MARIE VINOPAL	Ann Marie Vinopal
52. Pierre	LEE SKOG	Lee Skog
53. MANITOWOC	ED BREY	Ed Brey
54. WASHINGTON	JANICE GETTELMAN	Janice Gettelman
55. Pepin	Nancy M Richardson	Nancy M Richardson
56. Buffalo	Marilyn Sheahan	Marilyn Sheahan
57. Chippewa	ARLENE M ZWIEPELHOFER	Arlene M. Zwiefelhofer
58. Dunn	Mary Erpenbach	Mary Erpenbach
59. ROCK	VICKI BROWN	Vicki L Brown
60. FOREST	GRACE TAUER	Grace Tauer