



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2003 Assembly Bill 431	Assembly Amendment 1
<i>Memo published:</i> September 18, 2003	
<i>Contact:</i> William Ford, Senior Staff Attorney (266-0680)	

Under **current law**, counties are responsible for providing library services to county residents who do not live in a city, village, or town that maintains a public library. The county levies a property tax for library purposes that is used to fund the costs of providing library services to these county residents.

A city, village, or town that maintains a public library may submit a written application to the county in which it is located to be exempted from the county property tax levy for library purposes under certain circumstances. One of the requirements for exemption from the county library property tax is that the city, village, or town impose a property tax for library services at a rate that is at least equal to the county property tax rate for library services in the prior year.

Assembly Bill 431 would provide, for purposes of comparing the county property tax rate for library services with the property tax rate of the city, village, or town for library services, that the county property tax rate does **not** include that portion of the rate attributable to the levy for public library **capital** expenditures.

In addition, Assembly Bill 431 would provide an additional basis for exemption of a city, village, or town from the county property tax levy for library services. Under Assembly Bill 431, a city, village, or town may be exempted from the county property tax money for library services if either its property tax rate for library services is at least equal to the county property tax rate for library services in the prior year, **or** if its **per capita expenditures** for library services in the prior year was at least equal to the per capita county property tax levy for library services (less the amount levied for library capital expenditures) in that portion of the county that was subject to the county property tax levy for library services in the prior year.

Assembly Amendment 1 to 2003 Assembly Bill 431 would allow a city, village, or town to be exempted from the county property tax levy for library services based on its per capita expenditures for library services only if this is approved by the county board.

Legislative History

On September 17, 2003, the Assembly Committee on Ways and Means offered and adopted Assembly Amendment 1 by a vote of Ayes, 9; Noes, 3, and recommended Assembly Bill 431 for passage, as amended, by a vote of Ayes, 12; Noes, 0.

WF:jal;tlu



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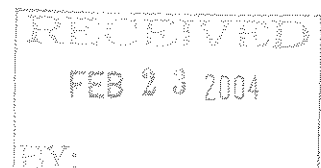
MEMORANDUM

TO: Honorable Members of the Wisconsin State Assembly
FROM: Craig Thompson, Legislative Director *CT*
DATE: February 20, 2004
SUBJECT: Removal of Opposition to Assembly Bill 431

The Wisconsin Counties Association (WCA) was opposed to Assembly Bill 431 (AB 431), which relates to a county's tax levy for library services, as it was introduced. WCA was concerned that the per capita exemption, coupled with the public library capital expenditures exclusion created by AB 431, would place a further burden on the taxpayers in the county that provides the county public library services.

WCA feels that Assembly Amendment 1 to AB 431 has addressed the concerns of counties; therefore, WCA removes its opposition to AB 431.

Thank you for considering our comments and working with counties to find a workable solution on AB 431.





MARK GOTTLIEB

STATE REPRESENTATIVE • 60TH DISTRICT

To: Members of the Senate Committee on Homeland Security,
Veterans & Military Affairs, and Government Reform

From: Representative Mark Gottlieb

Date: March 1, 2004

Re: **AB 431**

CURRENT LAW

Counties levy a "county library tax" in municipalities that do not have a library in order to provide funding for library services for residents of those municipalities. A municipality that has a library can be exempted from this tax, if it has an EQUALIZED TAX RATE for its library that is at least as high as the county library tax rate.

ISSUE

When a community with high property values is required to match tax rates, rather than tax levies, revenues in excess of those needed to operate the library can be generated.

SOLUTION

AB 431 provides an alternative method for establishing an exemption. Under the alternate method, a municipality can be exempt from the county library tax if their library spending is equal to that of the county's on a PER CAPITA, rather than an EQUALIZED TAX RATE basis.

DOES THIS HURT RESIDENTS IN THE NON-LIBRARIED MUNICIPALITIES?

No. It only affects the minimum levy required in the community that has a library.

IS THE ALTERNATE EXEMPTION METHOD AUTOMATIC?

No. A municipality may not implement it unless the County Board approves it.

WILL COMMUNITIES WITH LIBRARIES BE ABLE TO HAVE A SUBSTANDARD LIBRARY AND STILL MAINTAIN THEIR EXEMPTION?

No. All libraries are still covered by the 'maintenance of effort' statute that restricts them from reducing their funding below the previous three-year average.

I would appreciate your support for this proposal. Please contact me if you have any questions.