

**2005 DRAFTING REQUEST**

**Bill**

Received: 02/14/2005

Received By: jkreyc

Wanted: As time permits

Identical to LRB:

For: John Ainsworth (608) 266-3097

By/Representing: kristina

This file may be shown to any legislator: NO

Drafter: jkreyc

May Contact:

Addl. Drafters:

Subject: Tax, Business - utilities

Extra Copies:

Submit via email: YES

Requester's email: Rep.Ainsworth@legis.state.wi.us

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

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Tax on car line companies

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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>
/?				_____			State
/1	jkreyc 02/14/2005	wjackson 02/15/2005	rschluet 02/15/2005	_____	sbasford 02/15/2005	lnorthro 02/22/2005	

FE Sent For:

<END>

↳ At Intro.

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For: John Ainsworth (608) 266-3097

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/?	jkreye	1/1 wj 2/15					

FE Sent For:

<END>

## Kreye, Joseph

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**From:** Boardman, Kristina  
**Sent:** Monday, February 14, 2005 1:45 PM  
**To:** Kreye, Joseph  
**Subject:** RE: drafting request

It would be the same figure. Sorry for the confusion.

Kristina

-----Original Message-----

**From:** Kreye, Joseph  
**Sent:** Monday, February 14, 2005 1:35 PM  
**To:** Boardman, Kristina  
**Subject:** RE: drafting request

Kristina,

Is the "average net rate of taxation determined under s. 76.126" in the first sentence the same as "the average full value tax rate" in the last sentence? If the term used in the last sentence is different, what is it?

Joe

**Joseph T. Kreye**  
Legislative Attorney  
Legislative Reference Bureau  
(608) 266-2263

-----Original Message-----

**From:** Boardman, Kristina  
**Sent:** Friday, February 11, 2005 12:02 PM  
**To:** Kreye, Joseph  
**Subject:** drafting request

Mr. Kreye:

Representative Ainsworth would like to request a legislative draft, amending section 76.39 (2) of the Statutes. We were supplied the following drafting instructions - hopefully the language provided is adequate to get started. If you need additional information, please do not hesitate to contact me.

76.39 (2) is amended to read:

There is levied annually a gross earnings tax in lieu of all property taxes on the car line equipment of a car line company equal to ~~3%~~ the average net rate of taxation determined under s. 76.126 of the gross earnings in this state. The average net rate of taxation to be used for a calendar year shall be the state average tax rate certified by the Bureau of Local Government Services in June of the previous year. Every railroad company operating in this state shall, upon making payment to each car line company for use of its cars, withhold ~~3%~~ the average full value tax rate of the amount constituting the gross earnings in this state of such car line company.

Thank you in advance for your help.

*Kristina Boardman, Committee Clerk*

*Wisconsin State Assembly Transportation Committee  
Representative Ainsworth's Office  
608.266.3097- phone  
608.282.3603 - fax  
kristina.boardman@legis.state.wi.us*

**Kreye, Joseph**

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**From:** Boardman, Kristina  
**Sent:** Friday, February 11, 2005 12:02 PM  
**To:** Kreye, Joseph  
**Subject:** drafting request

Mr. Kreye:

Representative Ainsworth would like to request a legislative draft, amending section 76.39 (2) of the Statutes. We were supplied the following drafting instructions - hopefully the language provided is adequate to get started. If you need additional information, please do not hesitate to contact me.

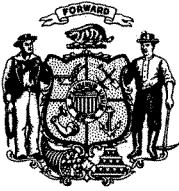
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Thank you in advance for your help.

*Kristina Boardman, Committee Clerk*  
Wisconsin State Assembly Transportation Committee  
Representative Ainsworth's Office  
608.266.3097 - phone  
608.282.3603 - fax  
kristina.boardman@legis.state.wi.us

*this is a bureau under the  
division of state & local finance  
- DOR*



2005 BILL

in 2-14-05

D-N

SOON

Gen

1 AN ACT ...; relating to: the tax rate of the tax imposed on car line companies.

*Analysis by the Legislative Reference Bureau*

Under current law, the state annually imposes a tax on car line companies that is equal to 3 percent of a car line company's gross earnings in this state. A car line company is any person, not including a person who operates a railroad, who is in the business of leasing or otherwise furnishing car line equipment to a railroad.

Under this bill, the tax imposed on a car line company is equal to the amount of the car line company's gross earnings in this state multiplied by the average net rate of taxation, as determined by the department of revenue. The average net rate of taxation is determined by subtracting the total state property tax credits paid in the year from the total of all general property taxes paid in this state in the year and dividing the result by the state assessment of all general property in this state.

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:*

2 SECTION 1. 76.39 (1) (am) of the statutes is created to read:

3 76.39 (1) (am) "Average net rate of taxation" means the average net rate of  
4 taxation determined under s. 76.126 as of June of the year prior to the assessment.





**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-2108/1dn

JK.:|:....

Wlj

Representative Ainsworth:

Please review this draft carefully to ensure that it is consistent with your intent. I did not refer to the bureau of local government services because it is not an entity created by statute and <sup>we</sup> may be eliminated by the secretary of revenue at any time. Therefore, I referred to DOR which is the agency ultimately responsible for determining, certifying, and publishing the average net rate of taxation.

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: joseph.kreye@legis.state.wi.us

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-2108/1dn  
JK:wj:rs

February 15, 2005

Representative Ainsworth:

Please review this draft carefully to ensure that it is consistent with your intent. I did not refer to the Bureau of Local Government Services because it is not an entity created by statute and maybe eliminated by the secretary of revenue at any time. Therefore, I referred to DOR which is the agency ultimately responsible for determining, certifying, and publishing the average net rate of taxation.

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: [joseph.kreye@legis.state.wi.us](mailto:joseph.kreye@legis.state.wi.us)

**Northrop, Lori**

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**From:** Boardman, Kristina  
**Sent:** Tuesday, February 22, 2005 10:27 AM  
**To:** LRB.Legal  
**Subject:** Draft review: LRB 05-2108/1 Topic: Tax on car line companies

It has been requested by <Boardman, Kristina> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 05-2108/1 Topic: Tax on car line companies