



State of Wisconsin

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STEPHEN R. MILLER
CHIEF

October 26, 2005

MEMORANDUM

“Corrected”

To: Representative McCormick

From: Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

Subject: Technical Memorandum to **2005 AA2-AB347** (LRB 05a1124/1)

We received the attached “corrected” technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

October 26, 2005

TO: Joseph Kreye
Legislative Reference Bureau

FROM: Paul Ziegler
Department of Revenue

SUBJECT: Technical Memorandum on Assembly Amendment 2 to Assembly Bill 347 –
Property Tax Credit for Disabled Veterans Who Receive 100% Disability
Compensation and for Their Unremarried Spouses

The Department has the following concerns regarding this bill as amended by AA2:

The bill does not provide a deadline for an eligible property owner to claim the credit. The author may wish to consider a December 1 deadline since all other property tax related information must be provided to municipal clerks on or before that date. In addition, it is unclear if the property tax bill could be adjusted if an owner applied for the credit after the property tax bill was issued.

The bill does not provide a deadline for a county to report to the Department of Revenue the total amount of the disabled veterans credits. The author may wish to consider a March 1 deadline to ensure sufficient time for the Department to make payments to municipalities by the 4th Monday in July. In addition, counties could, at that time, be required to submit to the Department the names, addresses, and property tax information of claimants to confirm eligibility and conduct required audits under the bill.

Mobile homes may be assessed as personal property or be subject to mobile home parking fees in lieu of property taxes. The author may wish to consider including these mobile homes as eligible property for the disabled veterans' property tax credit.

Under the bill, if an eligible owner sells a property, a county treasurer would not be notified and may continue to issue property tax credits for that property. The author may wish to amend sec. 79.10 (10m) (3) (d) to require a person who no longer owns the property to notify county treasurer.

The credit would first apply to property tax assessments as of January 1, 2005. Property tax bills based on the January 1, 2005 assessment will be mailed in December 2005. It is too late in the property tax cycle for the Department of Revenue to design a form for the proposed credit and for affected veterans to timely file this form with the appropriate county treasurer. The author may wish to consider January 1, 2006 applicability date to permit sufficient time to develop a form, to establish procedures for administering the credit, and to permit information on the credit to be disseminated to potential recipients.

If you have any questions regarding this technical memorandum, please contact Milda Aksamitauskas at (608) 261-5173.