

2005 ASSEMBLY BILL 679

1 **AN ACT** *to renumber and amend* 77.87 (1g); *to amend* 77.82 (4g) (b) and 77.88
2 (5) (a) (intro.); *to create* 77.87 (1g) (c), 77.87 (1g) (d), 77.88 (5) (ab) and 77.88
3 (5) (ar) of the statutes; and *to affect* 2005 Wisconsin Act 25, section 9335 (2k);
4 **relating to:** eliminating the exemption from yield tax for certain managed
5 forest land, management plans for designating land as managed forest land,
6 and calculating withdrawal tax for certain managed forest land.

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

7 **SECTION 1.** 77.82 (4g) (b) of the statutes is amended to read:
8 77.82 (4g) (b) If an owner of land that is designated as managed forest land
9 under an order that takes effect before April 28, 2004, wishes to have designated as
10 managed forest land an additional parcel of land that is in the same municipality,

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1 that is at least 3 acres in size, that does not satisfy the requirements in sub. (1), and
2 that is contiguous to any of that designated land, the owner may withdraw the
3 designated land from the original order and may petition the department under sub.
4 (2) for a new order covering both the withdrawn land and the additional land. The
5 withdrawal tax and the withdrawal fee under s. 77.88 (5) and (5m) do not apply to
6 a withdrawal under this paragraph.

7 **SECTION 2.** 77.87 (1g) of the statutes is renumbered 77.87 (1g) (intro.) and
8 amended to read:

9 77.87 **(1g)** EXEMPTION. (intro.) For a managed forest land order that takes
10 effect on or after April 28, 2004, the owner of the managed forest land is exempt from
11 payment of the yield tax under sub. (1) for the first 5 years of the managed forest land
12 order. The exemption under this subsection does not apply to ~~managed forest land~~
13 ~~converted~~ any of the following orders:

14 (a) An order converting forest cropland to managed forest land pursuant to a
15 petition approved under s. 77.82 (7) (d) or to a renewal of.

16 (b) A renewal order for a managed forest land order under s. 77.82 (12).

17 **SECTION 3.** 77.87 (1g) (c) of the statutes is created to read:

18 77.87 **(1g)** (c) An order under s. 77.82 (8) that designates as managed forest
19 land forest cropland that was subject to a contract under s. 77.03.

20 **SECTION 4.** 77.87 (1g) (d) of the statutes is created to read:

21 77.87 **(1g)** (d) A order petitioned for under s. 77.82 (4g) (b).

22 **SECTION 5.** 77.88 (5) (a) (intro.) of the statutes is amended to read:

23 77.88 **(5)** (a) (intro.) Except as provided in ~~par.~~ pars. (am), (ar), and (b), for land
24 withdrawn during an initial a managed forest land order, the withdrawal tax shall
25 be the higher of the following:

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1 **SECTION 6.** 77.88 (5) (ab) of the statutes is created to read:

2 77.88 (5) (ab) In this subsection:

3 1. “Expanded order” means an order approved under s. 77.82 (8) that is
4 petitioned for under s. 77.82 (4g) (b).

5 2. “Original order” means the order from which designated land is withdrawn
6 as authorized under s. 77.82 (4g) (b).

7 **SECTION 7.** 77.88 (5) (ar) of the statutes is created to read:

8 77.88 (5) (ar) If any land designated as managed forest land under an expanded
9 order is withdrawn before the expiration date of the original order, the withdrawal
10 tax shall be the sum of the following:

11 1. For the portion of the land that is designated as managed forest land under
12 the original order, an amount equal to the product of the total net property tax rate
13 in the municipality in the year prior to the year in which the expanded order is
14 approved and the assessed value of the land for the same year, as computed by the
15 department of revenue, multiplied by the number of years under the original order,
16 less any amounts paid by the owner under ss. 77.84 (2) (a) and 77.87 during the time
17 the land was designated as managed forest land under the original order.

18 2. An amount equal to the product of the total net property tax rate in the
19 municipality in the year prior to this withdrawal and the assessed value of the land
20 for the same year, as computed by the department of revenue, multiplied by the
21 number of years the land was designated as land under the expanded order, less any
22 amounts paid by the owner under ss. 77.84 (2) (am) and 77.87 during the time the
23 land is designated as managed forest land under the expanded order.

24 **SECTION 8.** 2005 Wisconsin Act 25, section 9335 (2k) is amended to read:

