

## 2005 ASSEMBLY BILL 856

December 6, 2005 – Introduced by Representatives BIES, KRAWCZYK, GUNDERSON, McCORMICK, OTT, OWENS, TOWNSEND and VAN ROY, cosponsored by Senator A. LASEE. Referred to Committee on Tourism.

1     **AN ACT** *to amend* 66.1113 (2) (a); and *to create* 66.1113 (2) (g) and 66.1113 (2)  
2           (h) of the statutes; **relating to:** authorizing the villages of Sister Bay and  
3           Ephraim to become premier resort areas.

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### *Analysis by the Legislative Reference Bureau*

Generally, under current law, the governing body of a political subdivision (a city, village, town, or county) may, by a two-thirds vote of the members of the governing body, enact an ordinance or adopt a resolution declaring itself to be a premier resort area if at least 40 percent of the equalized assessed value of the taxable property within the political subdivision is used by tourism-related retailers. “Tourism-related retailers” is defined to be certain retailers who are classified in the standard industrial classification manual that is published by the U.S. Office of Management and Budget. The statutory definition includes 21 retailers who are so classified, including variety stores, dairy product stores, gasoline service stations, eating places, drinking places, and hotels and motels.

A premier resort area may impose a tax at a rate of 0.5 percent of the gross receipts from the sale, lease, or rental of goods or services that are subject to the general sales and use tax and are sold by tourism-related retailers. The proceeds of the tax may only be used to pay for “infrastructure expenses” within the jurisdiction of the premier resort area. The definition of “infrastructure expenses” includes the costs of purchasing, constructing, or improving parking lots; transportation facilities, including roads and bridges; sewer and water facilities; recreational facilities; fire fighting equipment; and police vehicles.

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Also under current law, the city of Eagle River and the city of Bayfield are authorized to enact an ordinance or adopt a resolution to become a premier resort area notwithstanding the fact that neither city meets the generally applicable requirement that at least 40 percent of the equalized assessed value of the taxable property within a political subdivision be used by tourism-related retailers.

This bill allows the village of Sister Bay and the village of Ephraim to each become a premier resort area notwithstanding the fact that neither village meets the generally applicable requirement that at least 40 percent of the equalized assessed value of the taxable property within a political subdivision be used by tourism-related retailers.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 66.1113 (2) (a) of the statutes is amended to read:

2           66.1113 (2) (a) The governing body of a political subdivision, by a two-thirds  
3 vote of the members of the governing body who are present when the vote is taken,  
4 may enact an ordinance or adopt a resolution declaring itself to be a premier resort  
5 area if, except as provided in pars. (e) and (f), (g), and (h), at least 40% of the  
6 equalized assessed value of the taxable property within such political subdivision is  
7 used by tourism-related retailers.

8           **SECTION 2.** 66.1113 (2) (g) of the statutes is created to read:

9           66.1113 (2) (g) The village of Sister Bay may enact an ordinance or adopt a  
10 resolution declaring itself to be a premier resort area under par. (a) even if less than  
11 40 percent of the equalized assessed value of the taxable property within Sister Bay  
12 is used by tourism-related retailers.

13           **SECTION 3.** 66.1113 (2) (h) of the statutes is created to read:

14           66.1113 (2) (h) The village of Ephraim may enact an ordinance or adopt a  
15 resolution declaring itself to be a premier resort area under par. (a) even if less than

