

2007 Assembly Bill 470

Date of enactment: April 7, 2008
Date of publication*: April 21, 2008

2007 WISCONSIN ACT 210

AN ACT to amend 70.365, 74.485 (title), 74.485 (2) (intro.), 74.485 (4) (a), 74.485 (4) (b), 74.485 (5), 74.485 (6), 74.485 (7) (b), 74.485 (8) and 74.485 (9) of the statutes; relating to: the penalty for converting agricultural land.

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

SECTION 1. 70.365 of the statutes is amended to read:

70.365 Notice of changed assessment. When the assessor assesses any taxable real property, or any improvements taxed as personal property under s. 77.84 (1), and arrives at a different total than the assessment of it for the previous year, the assessor shall notify the person assessed if the address of the person is known to the assessor, otherwise the occupant of the property. The If the assessor determines that land assessed under s. 70.32 (2r) for the previous year is no longer eligible to be assessed under s. 70.32 (2r), and the current classification under s. 70.32 (2) (a) is not undeveloped, agricultural forest, productive forest land, or other, the assessor shall notify the person assessed if the assessor knows the person's address, or otherwise the occupant of the property, that the person assessed may be subject to a conversion charge under s. 74.485. Any notice issued under this section shall be in writing and shall be sent by ordinary mail at least 15 days before the meeting of the board of review or before the meeting of the board of assessors in 1st class cities and in 2nd class cities that have a board of assessors under s. 70.075 and shall contain the amount of the changed assessment and the time, date, and place of the meeting of the local board of review or of the board of assessors. However, if the assessment roll is not com-

plete, the notice shall be sent by ordinary mail at least 15 days prior to the date to which the board of review has adjourned. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed and failure to receive the notice shall not affect the validity of the changed assessment, the resulting changed tax, the procedures of the board of review or of the board of assessors or the enforcement of delinquent taxes by statutory means. After the person assessed or the occupant of the property receives notice under this section, if the assessor changes the assessment as a result of the examination of the rolls as provided in s. 70.45 and the person assessed waives, in writing and on a form prescribed or approved by the department of revenue, the person's right to the 15-day notice of the changed assessment, no additional notice is required under this section. The secretary of revenue shall ~~by rule~~ prescribe the form of the notice required under this section. The form shall include information notifying the taxpayer of the procedures to be used to object to the assessment. The form shall also indicate whether the person assessed may be subject to a conversion charge under s. 74.485.

SECTION 2. 74.485 (title) of the statutes is amended to read:

74.485 (title) Penalty Charge for converting agricultural land.

* Section 991.11, WISCONSIN STATUTES 2005-06 : Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

SECTION 3. 74.485 (2) (intro.) of the statutes is amended to read:

74.485 (2) PENALTY CONVERSION CHARGE. (intro.) Except as provided in sub. (4), a person who owns land that has been assessed as agricultural land under s. 70.32 (2r) and who converts the land's use so that the land is not eligible to be assessed as agricultural land under s. 70.32 (2r), as determined by the assessor of the taxation district in which the land is located, shall pay a penalty conversion charge to the county in which the land is located in an amount, calculated by the county treasurer, that is equal to the number of acres converted multiplied by the amount of the difference between the average fair market value of an acre of agricultural land sold in the county in the year before the year that the person converts the land, as determined under sub. (3), and the average equalized value of an acre of agricultural land in the county in the year before the year that the person converts the land, as determined under sub. (3), multiplied by the following:

SECTION 4. 74.485 (4) (a) of the statutes is amended to read:

74.485 (4) (a) A person who owns land that has been assessed as agricultural land under s. 70.32 (2r) and who converts the land's use so that the land is not eligible to be assessed as agricultural land under s. 70.32 (2r) is not subject to a penalty conversion charge under sub. (2) if the converted land may be assessed as undeveloped under s. 70.32 (2) (a) 5., as agricultural forest under s. 70.32 (2) (a) 5m., as productive forest land under s. 70.32 (2) (a) 6., or as other under s. 70.32 (2) (a) 7. or if the amount of the penalty conversion charge determined under sub. (2) represents less than \$25 for each acre of converted land.

SECTION 5. 74.485 (4) (b) of the statutes is amended to read:

74.485 (4) (b) If a person owes a penalty conversion charge under sub. (2), the treasurer of the county in which the person's land is located may defer payment of the penalty conversion charge to the succeeding taxable year if the person demonstrates to the assessor of the taxation district in which the land is located that the person's land will be used as agricultural land in the succeeding taxable year. A person who receives a deferral under this paragraph is not subject to the penalty conversion charge under sub. (2) related to the deferral, if the person's land is used as agricultural land in the succeeding taxable year. If the land of a person who receives a deferral under this paragraph is not used as agricultural land in the succeeding taxable year, the person shall pay the penalty conversion charge with interest at the rate of 1% a month, or fraction of a month, from the date that the treasurer granted a deferral to the date that the penalty conversion charge is paid.

SECTION 6. 74.485 (5) of the statutes is amended to read:

74.485 (5) PAYMENT. Except as provided in sub. (4), a person who owes a penalty conversion charge under sub. (2) shall pay the penalty conversion charge to the county in which the person's land related to the penalty conversion charge is located no later than 30 days after the date that the penalty conversion charge is assessed. A penalty conversion charge that is not paid on the date it is due is considered delinquent and shall be paid with interest at the rate of 1% a month, or fraction of a month, from the date that the penalty conversion charge is assessed to the date that the penalty conversion charge is paid. The county shall collect an unpaid penalty conversion charge as a special charge against the land related to the penalty conversion charge.

SECTION 7. 74.485 (6) of the statutes is amended to read:

74.485 (6) DISTRIBUTION. A county that collects a penalty conversion charge under this section shall distribute 50% of the amount of the penalty conversion charge to the taxation district in which the land related to the penalty conversion charge is located. If the land related to the penalty conversion charge is located in 2 or more taxation districts, the county shall distribute 50% of the amount of the penalty conversion charge to the taxation districts in proportion to the equalized value of the land related to the penalty conversion charge that is located in each taxation district. A taxation district shall distribute 50% of any amount it receives under this subsection to an adjoining taxation district, if the taxation district in which the land related to the penalty conversion charge is located annexed the land related to the penalty conversion charge from the adjoining taxation district in either of the 2 years preceding a distribution under this subsection.

SECTION 8. 74.485 (7) (b) of the statutes is amended to read:

74.485 (7) (b) Whether the person who owns the land and who is selling the land has been assessed a penalty conversion charge under sub. (2) related to the land.

SECTION 9. 74.485 (8) of the statutes is amended to read:

74.485 (8) TAXATION DISTRICT ASSESSOR. The assessors of the taxation districts located in the county shall inform the county treasurer and the real property lister of all sales of agricultural land located in the county. No later than 15 days after the board of review has adjourned, the assessors shall also deliver to the county treasurer all information necessary to compute the conversion charges assessed under this section.

SECTION 10. 74.485 (9) of the statutes is amended to read:

74.485 (9) ADMINISTRATION. The county in which the land as described in sub. (1) is located shall administer the penalty conversion charge under this section.

SECTION 11. Initial applicability.

(1) This act first applies to the property tax assessments as of January 1, 2008.
