February 20, 2007 – Introduced by Representatives SHERMAN, SHERIDAN, FIELDS, BERCEAU, BLACK, BOYLE, GRONEMUS, HUBLER, MOLEPSKE, ZEPNICK, SINICKI, POCAN and POPE-ROBERTS, cosponsored by Senators JAUCH, ERPNBACH, CARPENTER, DECKER and LASA. Referred to Committee on Ways and Means.

To amend section 1 of article VIII of the constitution; relating to: taxation of principal homesteads of individuals (first consideration).

Analysis by the Legislative Reference Bureau

This proposed constitutional amendment, proposed to the 2007 legislature on first consideration, excepts principal homesteads of individuals from the requirement of the “uniformity clause,” permitting the legislature to tax them differently than other property.

The general statement of the Wisconsin Constitution that the “rule of taxation shall be uniform” is already subject to a number of exceptions: real estate taxes may be collected in more than one way; forests, minerals, agricultural land, undeveloped land, and certain kinds of personal property may be taxed differently than is other property; and nonuniform income taxes, privilege taxes, and occupational taxes may be imposed.

In addition to the substantive changes, this joint resolution makes stylistic changes and breaks this section of the constitution into subsections to facilitate future amendments and to avoid conflicts if other amendments to the section are proposed.

A constitutional amendment requires adoption by two successive legislatures, and ratification by the people, before it can become effective.

Resolved by the assembly, the senate concurring, That:

Section 1. Section 1 of article VIII of the constitution is amended to read:
[Article VIII] Section 1. The rule of taxation shall be uniform but the except as follows:

(1) The legislature may empower by law authorize cities, villages, or towns to collect and return taxes on real estate located therein by optional methods.

(2) Taxes shall be levied upon such property with such classifications as to forests and minerals including or separate or severed from the land, as the legislature shall prescribe.

(3) Taxation of agricultural land undeveloped land, both and the principal homestead of an individual, all as defined by law, need not be uniform with the taxation of each other nor with the taxation of other real property.

(4) Taxation of merchants' stock-in-trade, manufacturers' materials and finished products, and livestock need not be uniform with the taxation of real property and other personal property, but the taxation of all such merchants' stock-in-trade, manufacturers' materials and finished products, and livestock shall be uniform, except that the legislature may provide by law that the value thereof shall be determined on an average basis. Taxes may also be imposed.

(5) The legislature may by law impose taxes on incomes, privileges, and occupations, which taxes may be graduated and progressive, and reasonable exemptions may be provided.

SECTION 2. Numbering of new provisions. The new subsections (1), (2), (3), (4), and (5) of section 1 of article VIII of the constitution resulting from the amendment of section 1 of article VIII of the constitution by this joint resolution shall be designated by the next higher open whole subsection numbers in that section in that article if, before the ratification by the people of the amendment proposed in this joint resolution, any other ratified amendment has created subsection (1), (2), (3), (4),
or (5) of section 1 of article VIII of the constitution of this state. If one or more joint
resolutions create subsection (1), (2), (3), (4), or (5) of section 1 of article VIII
simultaneously with the ratification by the people of the amendments proposed in
this joint resolution, the subsections created shall be numbered and placed in a
sequence so that the subsections created by the joint resolution having the lowest
enrolled joint resolution number have the numbers designated in that joint
resolution and the subsections created by the other joint resolutions have numbers
that are in the same ascending order as are the numbers of the enrolled joint
resolutions creating the subsections.

Be it further resolved, That this proposed amendment be referred to the
legislature to be chosen at the next general election and that it be published for 3
months previous to the time of holding such election.

(END)