

2009 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB215)

Received: 12/28/2009

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: James Soletski (608) 266-0485

By/Representing: dan

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Property - other

Extra Copies:

Submit via email: YES

Requester's email: Rep.Soletski@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Personal property tax assessment of billboards

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 12/28/2009	nmatzke 12/29/2009		_____			
/1			mduchek 12/29/2009	_____	cduerst 12/29/2009	cduerst 12/29/2009	

FE Sent For:

<END>

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/?	jkreye	/ nwn 12/29		_____	_____	_____	_____

FE Sent For:

<END>

Kreye, Joseph

From: Young, Dan
Sent: Monday, December 28, 2009 3:37 PM
To: Kreye, Joseph
Subject: Amendment to AB 215 - drafting request

Importance: High

Joe,

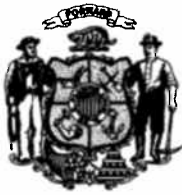
Per my earlier phone call, it appears that your records are correct and that the drafting request was not submitted.

This is to request a substitute amendment to AB 215 to add language prohibiting the assessment of any outdoor advertising sign, or of any permit, leasehold interest or other intangibles related to an outdoor advertising sign, **as real property**.

My apologies for the shortness of time prior to the January 5th hearing.

Dan

Daniel A. Young
Office of Representative Jim Soletski
(608) 266-0485
1-888-534-0088



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-2452/1

JK:bjk:md

50221/1

ASA to

in Mon 12-28

due Wed

12-30

2009 ASSEMBLY BILL 215

April 14, 2009 - Introduced by Representatives SOLETSKI, STASKUNAS, BROOKS, DANOU, FIELDS, GARTHWAITE, GRIGSBY, GUNDERSON, HIXSON, HONADEL, JORGENSEN, KERKMAN, KESTELL, MONTGOMERY, NEWCOMER, A. OTT, PETERSEN, PETROWSKI, RIPP, SMITH, SUDER, VAN ROY, VOS and ZEPNICK, cosponsored by Senators PLALE, LEHMAN, HANSEN, HOLPERIN, COWLES and SCHULTZ. Referred to Committee on Jobs, the Economy and Small Business.

SA ✓

Regen.

- 1 **AN ACT to renumber and amend 70.34; and to create 70.34 (2) of the statutes;**
- 2 **relating to: determining the value of billboards for personal property tax**
- 3 **purposes.**

Analysis by the Legislative Reference Bureau

Under current law, a billboard is subject to the imposition of personal property taxes. The Wisconsin Supreme Court has recently determined that, although net income from billboard rentals may be a factor to consider, it cannot be the sole controlling factor for determining the value of a billboard for property tax purposes. See, *Adams Outdoor Advertising, Ltd. v. City of Madison*, 294 Wis. 2d 441, 717 N.W.2d 803. The court also found that, by not determining the billboard's value based on its cost, less depreciation, the city assessor contravened the prevailing practice for assessing billboards not only in this state, but throughout the United States.

Under this bill, for personal property tax purposes, an assessor must determine a billboard's value by subtracting depreciation from the cost of reproducing the billboard. In addition, consistent with *Adams Outdoor Advertising, Ltd.*, the assessor may not include the value of any permits issued, leasehold interests, or other intangibles with regard to the billboard for the purpose of determining the billboard's assessed value.

ASSEMBLY BILL 215

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

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

SECTION 1. 70.34 of the statutes is renumbered 70.34 (1) and amended to read:

70.34 (1) ~~All~~ Subject to sub. (2), all articles of personal property shall, as far as practicable, be valued by the assessor upon actual view at their true cash value; and after arriving at the total valuation of all articles of personal property which the assessor shall be able to discover as belonging to any person, if the assessor has reason to believe that such person has other personal property or any other thing of value liable to taxation, the assessor shall add to such aggregate valuation of personal property an amount which, in the assessor's judgment, will render such aggregate valuation a just and equitable valuation of all the personal property liable to taxation belonging to such person. In carrying out the duties imposed on the assessor by this section, the assessor shall act in the manner specified in the Wisconsin property assessment manual provided under s. 73.03 (2a).

SECTION 2. 70.34 (2) of the statutes is created to read:

70.34 (2) The assessor shall determine the value of an outdoor off-premises advertising sign by subtracting depreciation from the cost of reproducing the sign, consistent with the cost approach specified in the Wisconsin property assessment manual provided under s. 73.03 (2a). The value determined under this subsection shall not include the value of any permits issued, leasehold interests, or other intangibles with regard to the outdoor off-premises advertising sign. In this subsection, "off-premises advertising sign" means a sign that does not advertise the business or activity that occurs on the site where the sign is located.

No outdoor off-premises advertising sign; or permit, leasehold interest, or other intangible related to such sign; may be assessed as real property.

