

## 2009 DRAFTING REQUEST

### Bill

Received: 11/13/2009

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Kim Hixson (608) 266-9650**

By/Representing: **john**

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.Hixson@legis.wisconsin.gov**

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

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### Pre Topic:

No specific pre topic given

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### Topic:

Equalized valuation correction procedures

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### Instructions:

See attached

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### 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>
/?				_____			S&L
/P1	jkreye 11/16/2009	kfollett 11/24/2009	rschlue 11/24/2009	_____	cduerst 11/24/2009		S&L
/1	jkreye 12/16/2009	kfollett 12/17/2009	jfrantze 12/17/2009	_____	sbasford 12/17/2009	cduerst 01/06/2010	

FE Sent For:

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intro

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12/1/09  
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/?	jkreye	1/1/09 11/24		_____	_____		
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FE Sent For:

<END>

## Kreye, Joseph

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**From:** Olin, Rick  
**Sent:** Friday, November 13, 2009 10:16 AM  
**To:** Kreye, Joseph  
**Cc:** Vander Meer, John; Ammerman, Fred; Runde, Al  
**Subject:** Bill Request

Hi Joe:

Please draft a bill for Rep. Hixson that amends the equalized value procedures under s. 70.57.

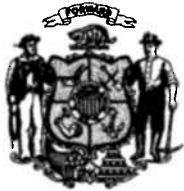
In certain instances, the new provisions created by the bill would override the correction procedures currently authorized under s. 70.57(1)(d) and (2).

The bill would create a new correction procedure and would require DOR to certify a new equalized value for the current year if:

- DOR discovers an error in the taxation district's equalized value prior to October 1;
- the error exceeds \$10 million in value, whether positive or negative
- the error exceeds 7.5% of the taxation district's corrected equalized value, exclusive of any value due to value increments in tax increment districts.

Feel free to email or call if you have any questions. John Vander Meer is the contact in Rep. Hixson's office and understands that this will not resolve the problem with Milton's equalized value in the current year. Please note that I have made the DOR response mandatory when the three conditions are met, although the response could be permissive instead. John will contact you if he prefers that option. Thanks and have a good weekend.

Rick Olin, Fiscal Analyst  
Wisconsin Legislative Fiscal Bureau  
(608) 266-3847



**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

in 11-16-09

D-N

Gen

- 1 AN ACT ...; **relating to:** correcting errors in the assessment of counties and  
2 taxation districts by the Department of Revenue.

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***Analysis by the Legislative Reference Bureau***

Under current law, the Department of Revenue (DOR) annually completes an assessment of the property located in each county or taxation district. That assessment becomes the county's and taxation district's "equalized value" for the year of the assessment. If DOR discovers an error in its equalized value for any county or municipality, DOR, generally, corrects the error by adjusting the equalized value for the year after the year in which the error occurred.

Under this bill, DOR must recertify a taxation district's equalized value in the same year that an error is discovered if all of the following apply:

1. DOR discovers the error before October 1 of the year for which the error relates.
2. The amount of the error increases or decreases the equalized value by more than \$10,000,000.
3. The amount of the error exceeds an amount equal to 7.5 percent of the taxation district's corrected equalized value, excluding any value attributable to value increments in tax incremental districts.

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:***



1 SECTION 1. 70.57 (1) (d) of the statutes is amended to read:

2 70.57 (1) (d) ~~In~~ Except as provided in par. (e), in any case where the department,  
3 through mistake or inadvertence, has assessed to any county or taxation district, in  
4 the current year or in the previous year, a greater or less valuation for any year than  
5 should have been assessed, it shall correct the error. The department shall add or  
6 subtract, as the case may be, from the valuation of the county or taxation district, as  
7 determined by the department at the assessment in the year after the error is  
8 discovered, the amount omitted from or added to the true valuation of the county in  
9 the former assessment in consequence of the error. The result shall be taken as the  
10 full value of the county for the latter year and a final correction of the error.

History: 1973 c. 90, 336; 1977 c. 29 ss. 761, 762, 1647 (12); 1977 c. 300 ss. 5, 8; 1981 c. 20; 1983 a. 372; 1985 a. 29, 54, 153, 246, 332, 399; 1991 a. 39; 1995 a. 27, 225; 2003 a. 33; 2007 a. 4; 2009 a. 11.

11 SECTION 2. 70.57 (1) (e) of the statutes is created to read:

12 70.57 (1) (e) The department shall recertify a taxation district's equalized value  
13 in the same year that an error is discovered in the taxation <sup>district's</sup> equalized value if all  
14 of the following apply:

15 1. The department discovers the error before October 1 of the year for which  
16 the error relates.

17 2. The amount of the error increases or decreases the equalized value by more  
18 than \$10,000,000.

19 3. The amount of the error exceeds an amount equal to 7.5 percent of the  
20 taxation district's corrected equalized value, excluding any value attributable to  
21 value increments in tax incremental districts.

22 SECTION 3. 70.57 (2) (c) of the statutes is created to read:



**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3852/P1dn

JK:...

*kjf*

*Date*

Representative Hixson:

Please review this draft carefully to ensure that it is consistent with your intent. I also sent a copy of this draft to Rick Olin for his review.

Joseph T. Kreye  
Senior Legislative Attorney  
Phone: (608) 266-2263  
E-mail: [joseph.kreye@legis.wisconsin.gov](mailto:joseph.kreye@legis.wisconsin.gov)

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LEGISLATIVE REFERENCE BUREAU**

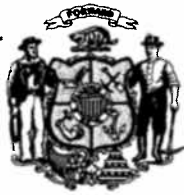
LRB-3852/P1dn  
JK:kjf:rs

November 24, 2009

Representative Hixson:

Please review this draft carefully to ensure that it is consistent with your intent. I also sent a copy of this draft to Rick Olin for his review.

Joseph T. Kreye  
Senior Legislative Attorney  
Phone: (608) 266-2263  
E-mail: [joseph.kreye@legis.wisconsin.gov](mailto:joseph.kreye@legis.wisconsin.gov)



RMR

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

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in wheel 12-16

due June 12-17

Regen

1 **AN ACT to amend 70.57 (1) (d); and to create 70.57 (1) (e) and 70.57 (2) (c) of the**  
2 **statutes; relating to: correcting errors in the assessment of counties and**  
3 **taxation districts by the Department of Revenue.**

***Analysis by the Legislative Reference Bureau***

Under current law, the Department of Revenue (DOR) annually completes an assessment of the property located in each county or taxation district. That assessment becomes the county's and taxation district's "equalized value" for the year of the assessment. If DOR discovers an error in its equalized value for any county or municipality, DOR, generally, corrects the error by adjusting the equalized value for the year after the year in which the error occurred.

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20 taxation district's corrected equalized value, excluding any value attributable to  
21 value increments in tax incremental districts.



**Barman, Mike**

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**From:** Vander Meer, John

**Sent:** Wednesday, January 06, 2010 10:04 AM

**To:** LRB.Legal

**Subject:** Draft Review: LRB 09-3852/1 Topic: Equalized valuation correction procedures

Please Jacket LRB 09-3852/1 for the ASSEMBLY.