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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2009-10

(session year)

Senate

(Assembly, Senate or Joint)

Committee on ... Health, Health Insurance, Privacy, Property Tax Relief, and Revenue (SC-HHIPTRR)

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Senate

Record of Committee Proceedings

Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue

Senate Bill 214

Relating to: a real property tax exemption for snowmobile clubs.

By Senators Holperin, Olsen, Wirch, Erpenbach, Lehman, Plale, Grothman, Hansen and Hopper; cosponsored by Representatives Jorgensen, Radcliffe, Kerkman, A. Ott, Meyer, Brooks, Ripp, Milroy, J. Ott, Petrowski, Vos, Hilgenberg, Nerison, Bies, Hraychuck, Spanbauer, Gunderson and Suder.

May 20, 2009 Referred to Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.

August 18, 2009 **PUBLIC HEARING HELD**

Present: (6) Senators Erpenbach, Carpenter, Robson, Lassa, Lazich and Darling.

Absent: (1) Senator Kanavas.

Appearances For

- Jim Holperin, Eagle River — WI State Senate - 12th District

Appearances Against

- None.

Appearances for Information Only

- None.

Registrations For

- Bob Jentz, Madison — Association of WI Snowmobile Clubs

Registrations Against

- Curt Witynski, Madison — League of WI Municipalities
- Ed Huck, Madison — WI Alliance of Cities
- David Callender, Madison — WI Counties Association

Registrations for Information Only

- None.

April 22, 2010

Failed to pass pursuant to Senate Joint Resolution 1.

Kelly Becker
Committee Clerk





AWSC - Association of Wisconsin Snowmobile Clubs, Inc.

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MEMORANDUM

TO: Members, Senate Committee on Health, Health Insurance, Privacy,
Property Tax Relief, and Revenue

FROM: Association of Wisconsin Snowmobile Clubs (AWSC)

DATE: August 18, 2009

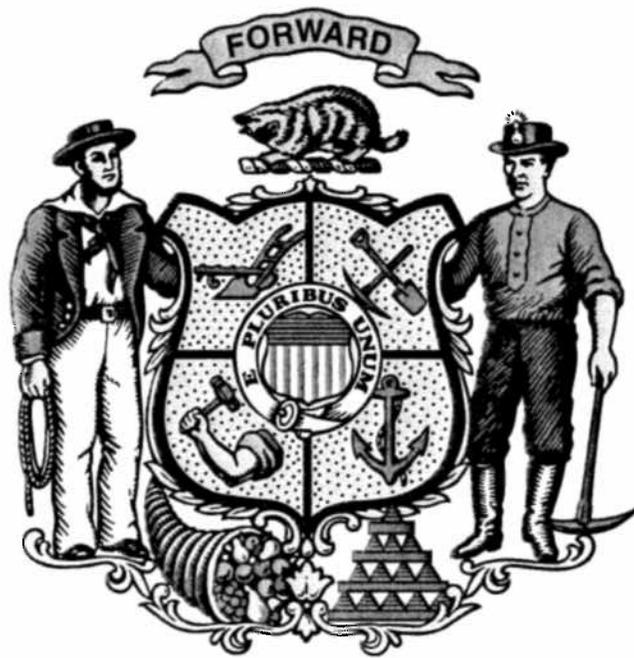
RE: Senate Bill 214 and Senate Bill 215

The AWSC supports Senate Bill 214 (real property tax exemption for snowmobile clubs) and Senate Bill 215 (personal property tax exemption for snowmobile clubs) and requests passage of these measures.

As you may know, snowmobiling is one of Wisconsin's greatest outdoor activities, which annually generates tourism-related revenues in the hundreds of millions of dollars. The vast majority of our state's snowmobile trails are maintained and groomed by volunteers who take great pride in Wisconsin's world-class snowmobile trail system. Often, these volunteers and their respective clubs pay out-of-pocket to cover portions of the expenses associated with trail maintenance.

Although the fiscal impacts of both Senate Bill 214 and Senate Bill 215 are minimal, if enacted each could provide a great deal of relief for the snowmobile clubs of Wisconsin.

We thank you for your consideration of Senate Bill 214 and Senate Bill 215.





State of Wisconsin • DEPARTMENT OF REVENUE

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Jim Doyle
Governor

Roger M. Ervin
Secretary of Revenue

Senate Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue
Hearing, August 18, 2009

SB 214 – Regarding a Real Property Tax Exemption for Snowmobile Clubs (Senator Holperin)

Description of Current Law and Proposed Change

Under current law, real property owned by any snowmobile club is generally subject to property taxes.

Under the bill, real property owned by a snowmobile club exempt from taxation under Section 501 (c) (3) of the Internal Revenue Code would be exempt from property taxes, effective for the property tax assessments as of January 1, 2009.

The Department of Revenue has submitted the following technical comments to the author

Scope of Property Affected. In the absence of more exact terms regarding acreage, ownership, and use, the proposed exemption could apply to a wide array of property types and acreage that have only a limited connection to snowmobiling. If the bill is intended to create a targeted exemption for snowmobile clubs, the bill could be amended to apply to the buildings and improvements, and the land necessary for their location and convenience, which are owned and exclusively used by a non-profit snowmobile club.

Internal Revenue Code Reference. The exemption would apply to snowmobile clubs exempt from taxation under section 501 (c) (3) of the Internal Revenue Code. This section of the Code generally applies to non-profit organizations operated exclusively for religious, charitable, scientific, public safety testing, literary, or educational purposes; to foster national or international amateur sports competition, or for the prevention of cruelty to animals. Although a few snowmobile clubs may qualify for exemption under section 501 (c) (3), most of these clubs are probably exempt from taxation under section 501 (c) (7) of the Internal Revenue Code, which applies to non-profit clubs organized for pleasure, recreation, and other non-profitable purposes.

Effective Date. This bill first applies to January 1, 2009 assessments. The proposed exemption, however, comes too late in the process to be accurately reflected on the 2009 assessment rolls. To avoid conflicts with existing 2009 assessments, DOR recommends that the proposal be effective for property tax assessments as of January 1, 2010.

Contact: Sherrie Gates-Hendrix, (608) 267-1262