



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-0785/1
RNK&JK:eev:rs

DOA:.....Byrnes, BB0258 – Aids in lieu of taxes on land purchased from DNR
by BCPL

FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, land that DNR purchases is not subject to property taxes. Instead, DNR makes annual payments to municipalities for each parcel of land that DNR has purchased in those municipalities. This bill requires the Board of Commissioners of Public Lands (board) to make those annual payments to municipalities for land that the board purchases from DNR.

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. 24.62 (4) of the statutes is created to read:

24.62 (4) If any land purchased by the board under s. 24.61 (2) (a) 10. from the department was not at the time of purchase subject to assessment or levy of a real

property tax, the board shall make annual payments to the appropriate taxation district from the appropriation account under s. 20.507 (1) (h) in the manner required under s. 70.114.

SECTION 2. 70.114 (1) (a) of the statutes is renumbered 70.114 (1) (am).

SECTION 3. 70.114 (1) (ag) of the statutes is created to read:

70.114 (1) (ag) “Board” means the board of commissioners of public lands.

SECTION 4. 70.114 (1) (b) 2. of the statutes is amended to read:

70.114 (1) (b) 2. For land purchased on or after July 1, 2011, “estimated value,” for the year during which land is purchased, means the lesser of the purchase price or the determination of the land’s equalized valuation under s. 70.57 in the year before the year during which the land is purchased, increased or decreased to reflect the annual percentage change in the equalized valuation of all property, excluding improvements, in the taxation district, as determined by comparing the most recent determination of equalized valuation under s. 70.57 for that property, except that if the land was exempt from taxation in the year prior to the year during which the ~~Department~~ department or board purchased the land, or enrolled in the forest cropland program under subch. I of ch. 77 or the managed forest land program under subch. VI of ch. 77 at the time of purchase, “estimated value,” for the year during which the land is purchased, means the lesser of the purchase price or an amount that would result in a payment under sub. (4) that is equal to \$10 per acre. “Estimated value,” for later years, means the value that was used for calculating the aid payment under this section for the prior year increased or decreased to reflect the annual percentage change in the equalized valuation of all property, excluding improvements, in the taxation district, as determined by comparing the most recent

determination of equalized valuation under s. 70.57 for that property to the next preceding determination of equalized valuation under s. 70.57 for that property.

SECTION 5. 70.114 (1) (c) of the statutes is amended to read:

70.114 (1) (c) “Land” means state forests, as defined in s. 28.02 (1), that are acquired after December 31, 1991, state parks that are acquired after December 31, 1991, under s. 27.01 and other areas that are acquired after December 31, 1991, under s. 23.09 (2) (d), 23.091, 23.27, 23.29, 23.293, 23.31, 24.61 (2) (a) 10., or 29.749 (1).

SECTION 6. 70.114 (1) (d) of the statutes is amended to read:

70.114 (1) (d) “Purchase price” means the amount paid by the department or the board for a fee simple interest in real property. “Purchase price” does not include administrative costs incurred by the department or the board to acquire the land, such as legal fees, appraisal costs or recording fees. If real estate is transferred to the department or the board by gift or is sold to the department or the board for an amount that is less than the estimated fair market value of the property as shown on the property tax bill prepared for the prior year under s. 74.09, “purchase price” means an amount equal to the estimated fair market value of the property as shown on that tax bill. If the real estate is exempt from taxation at the time that it is transferred or sold to the department or the board and if the property was not sold at an arm’s-length sale, “purchase price” means the fair market value of the real estate at the time that the department or the board takes title to it.

SECTION 7. 70.114 (3) of the statutes is amended to read:

70.114 (3) ASCERTAINING RATE. Each year, the department or the board shall ascertain the aggregate net general property tax rate for taxation districts to which aids are paid under this section by the department or the board.

SECTION 8. 70.114 (4) (a) of the statutes is amended to read:

70.114 (4) (a) Except as provided under par. (c), on or before January 31, the department or the board shall pay to each treasurer of a taxation district, with respect to each parcel of land acquired by the department or the board within the taxation district on or before January 1 of the preceding year, an amount determined by multiplying each parcel's estimated value equated to the average level of assessment in the taxation district by the aggregate net general property tax rate that would apply to the parcel of land if it were taxable, as shown on property tax bills prepared for that year under s. 74.09.

SECTION 9. 70.114 (4) (c) of the statutes is amended to read:

70.114 (4) (c) The department or the board shall withhold from the payment amount determined under par. (a) the state's proportionate share of the tax that would be levied on the parcel if it were taxable and shall deposit that amount into the conservation fund.

(END)