



State of Wisconsin

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RICHARD CHAMPAGNE
CHIEF

January 27, 2016

MEMORANDUM

To: Senator Lasee

From: Elisabeth Shea, Legislative Attorney, (608) 2665446

Marc E. Shovers, Senior Attorney, (608) 266-0129

Gordon M. Malaise, Sr. Legislative Attorney, (608) 266-9738

Subject: Technical Memorandum to **2015 SB 464** (LRB-3936/1) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

January 26, 2016

TO: Elisabeth Shea
Marc Shovers
Gordon Malaise
Legislative Reference Bureau

FROM: Robert Schmidt
Department of Revenue

SUBJECT: Technical Memorandum on 2016 SB 464 Regarding Government Actions Affecting Rights to Real Property; the Regulation of Shoreland Zoning; the Contents of an Economic Impact Analysis of a Proposed Administrative Rule; the Substitution of Hearing Examiners in Department of Natural Resources and Department of Agriculture, Trade and Consumer Protection Contested Cases; the Standard for Judicial Review of a State Agency Action or Decision Affecting a Property Owner's Use of the Owner's Property; and the Property Tax Treatment of Unoccupied Property

The Department of Revenue (DOR) has the following concern regarding the bill:

The bill does not provide a clear definition of "unimproved" value. As the bill is drafted, the new subcategory of undeveloped property does not seem to be subject to the assessment standards for the current law definition of undeveloped property. Sec. 70.32(4)(a) in the original bill is amended to state that "... undeveloped, as defined in sub. (2)(c)4.a., shall be assessed at 50 percent of its full value..." and does not include sub. (2)(c)4.b, which defines the subcategory of undeveloped property created under the bill.

The provision to assess two different types of undeveloped property differently may violate the uniformity clause as these types are in the same property class valued differently based solely on the future use.

If you have any questions on the technical memorandum, please contact Yuko Iwata at 267-9892 or yuko.iwata@revenue.wi.gov.