

2015 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB689)

Received: 2/4/2016 Received By: kpleviak
For: Richard Gudex (608) 266-5300 Same as LRB:
May Contact: By/Representing: Tim
Subject: Tax, Property - other Drafter: kpleviak
Addl. Drafters: jkreye
Extra Copies:

Submit via email: YES
Requester's email: Sen.Gudex@legis.wisconsin.gov
Carbon copy (CC) to: krista.pleviak@legis.wisconsin.gov
joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Charge-backs for tax refunds

Instructions:

See attached

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|----------------------|---------------------|----------------|----------------------|-----------------|-----------------|
| /? | kpleviak 2/5/2016 | kmochal 2/8/2016 | _____ | | | |
| /P1 | kpleviak 2/9/2016 | | _____ | sbasford 2/8/2016 | | |
| /1 | | wjackson | _____ | lparisi | lparisi | |

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|--------------|----------------|-----------------------------|-------------------------|------------------------------|-----------------------------|-----------------|
| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> 2/9/2016 | <u>Proofed</u> _____ | <u>Submitted</u> 2/9/2016 | <u>Jacketed</u> 2/9/2016 | <u>Required</u> |
|--------------|----------------|-----------------------------|-------------------------|------------------------------|-----------------------------|-----------------|

FE Sent For:

<END>

Pleviak, Krista

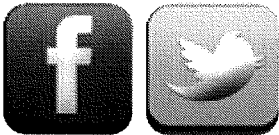
From: Lakin, Tim
Sent: Thursday, February 04, 2016 12:32 PM
To: Pleviak, Krista
Subject: FW: SB 689-chargebacks

Krista,

Could you please draft up a substitute amendment as requested by DOR and The League below. If you have questions, Nate Ristow and Curt Witynski can answer them for you.

Thanks,

Tim Lakin
Chief of Staff
Senator Rick Gudex
Room 415-South, State Capital
Tim.lakin@legis.wisconsin.gov
Phone 608-266-5300



From: Curt Witynski [<mailto:witynski@lwm-info.org>]
Sent: Thursday, February 04, 2016 12:27 PM
To: Ristow, Nathaniel L - DOR (Nate) <Nathaniel.Ristow@revenue.wi.gov>; Lakin, Tim <Tim.Lakin@legis.wisconsin.gov>; Kvalheim, Kody - LEGIS <IMCEAEX-_o=WIMail_ou=Exchange+20Administrative+20Group+20+28FYDIBOHF23SPDLT+29_cn=Recipients_cn=kody+2Ekvalheim-LEGIS@wisconsin.gov>
Subject: RE: SB 689-chargebacks

We are good with DOR's recommended substitute amendment. Thanks guys.

Curt

Curt Witynski
Assistant Director
League of Wisconsin Municipalities
(608) 267-3294
www.Lwm-info.org

From: Ristow, Nathaniel L - DOR (Nate) [<mailto:Nathaniel.Ristow@revenue.wi.gov>]
Sent: Thursday, February 4, 2016 10:56 AM
To: Curt Witynski <witynski@lwm-info.org>; Lakin, Tim - LEGIS <Tim.Lakin@legis.wisconsin.gov>; Kvalheim, Kody - LEGIS

<IMCEAEX-

_o=WIMail_ou=Exchange+20Administrative+20Group+20+28FYDIBOHF23SPDLT+29_cn=Recipients_cn=kody+2Ekvalheim-LEGIS@wisconsin.gov>

Subject: SB 689-chargebacks

Below is language that the department would recommend to accomplish the goal of approving chargebacks that do not affect equalized value. We would suggest repealing the requirement that DOR review for the effect on equalized value when a chargeback is requested. Municipalities can request a 70.57 correction (under that statute, not 74.41) instead of a chargeback, under which we would review if the change affected equalized values. We expect this will continue to be a minority of municipalities. If the 70.57 request was denied because equalized values were not affected, municipalities could then request a chargeback under 74.41. 70.57 decisions are made by August, chargeback requests are due by October. A municipality can also simply request a chargeback without requesting a 70.57. Again, we expect most will do this. The current language appears to require DOR to correct the error both with a 70.57 and a chargeback if it affects equalized values (current law says we can do one or the other). The current language would also require DOR to review every chargeback request for an effect on the equalized value, even though the chargeback is required whether there is an change in equalized value or not. We also have concerns that (1)(c) of the non-stat portion of the bill would require us to grant all past denied chargebacks that meet the remaining thresholds. That would create an incredible burden on overlying jurisdictions and property taxpayers. If we need to discuss the intent of that provisions, please call me.

SECTION 1. 74.41 (1) of the statues is amended to read:

74.41 Charging back refunded or rescinded taxes; sharing certain collected taxes. (1) SUBMISSION OF REFUNDED OR RESCINDED TAXES TO DEPARTMENT. By October 1 of each year, the clerk of a taxation district may submit to the department of revenue, on a form prescribed by the department of revenue, a listing of all general property taxes on the district's tax roll which, subject to sub. (1m) and (2), meet any of the following conditions:

SECTION 2. 74.41 (1m) of the statutes is created to read:

74.41 (1m) AMOUNT COLLECTED FROM PROPERTY IN A TAX INCREMENTAL DISTRICT. A tax may not be included on a form submitted under sub. (1) if the tax was levied on property within a tax incremental district, as defined in s. 66.1105 or 60.85, unless the tax incremental district is in a decrement situation, as defined in s. 66.1105 (2) (aj), for the assessment year in which the tax was refunded, rescinded, collected, or corrected under sub. (1) (a) to (d).

SECTION 3. 74.41 (3) of the statutes is repealed.

SECTION 4. 74.41 (4) of the statutes is repealed and recreated to read:

74.41 (4) CHARGE-BACK AMOUNT DETERMINED. The department of revenue shall, by the November 15 following submission of the form under sub. (1), determine the amount of rescinded or refunded taxes to be charged back to, and collected from, each taxing jurisdiction for which taxes were collected by the taxation district, and determine the amount of taxes collected under s. 74.33 to be shared with each taxing jurisdiction for which taxes were collected by the taxation district. Except for interest on refunds under s. 70.511 (2) (b) that is paid with respect to property that was assessed under s. 70.995 and that is not paid by the department of administration under s. 70.511 (2) (bm), the amount determined may not include any interest. The determination of the department of revenue under this subsection is reviewable only under s. 227.53.

SECTION 5. 74.41 (5) (a) of the statutes is amended to read:

74.41 (5) (a) The department of revenue shall certify to the clerk of the taxation district the amount determined to be charged back under sub. (4) ~~(a) or (b)~~ and shall furnish a copy of the certification to each affected taxing jurisdiction.

SECTION 6. 74.41 (5) (b) of the statutes is amended to read:

74.41 (5) (b) Each taxing jurisdiction to which an amount is charged back under sub. (4) ~~(b)~~ shall pay the amount certified under par. (a) to the taxation district treasurer by February 15 of the year following the determination under sub. ~~(3)~~ (4). By February 15 of the year following the determination under sub. ~~(3)~~ (4), the taxation district treasurer shall pay the amounts to be shared with other taxing jurisdictions.

SECTION 7. Nonstatutory provisions.

(1) With respect to a form submitted under section 74.41 (1), 2013 stats., before the effective date of this subsection to which any of the following applies, the department of revenue shall make the determination under section 74.41 (4), as affected by this act, and, depending on the outcome of those determinations, take the applicable actions under section 74.41 (4), as affected by this act:

(a) The department of revenue has not made a final determination under section 74.41 (3), 2013 stats., with respect to the taxes included on the form.

(b) The department of revenue's final determination under section 74.41 (3), 2013 stats., is being reviewed under section 227.53.

SECTION 8. Initial applicability.

(1) Except as provided in SECTION 7 of this act, this act first applies to a form submitted by a taxation district under section 74.41 (1) on the effective date of this subsection, regardless of the taxable year to which the form relates.

Nate Ristow
Legislative Advisor
Wisconsin Department of Revenue
(608) 266-7817
Nate.Ristow@revenue.wi.gov

CONFIDENTIALITY NOTICE: This electronic mail transmission and any accompanying documents contain information belonging to the sender which may be confidential and legally privileged. This information is only for the use of the individual or entity to whom this electronic mail transmission was intended. If you are not the intended recipient, any disclosure, copying, distribution, or action taken in reliance on the contents of the information contained in this transmission is strictly prohibited. If you have received this transmission in error, please immediately contact the sender and delete the message. Thank you.

Pleviak, Krista

From: Lakin, Tim
Sent: Thursday, February 04, 2016 2:55 PM
To: Pleviak, Krista
Subject: FW: SB 689-chargebacks

Please see below.

Thanks!

Tim Lakin

Chief of Staff

Senator Rick Gudex

Room 415-South, State Capital

Tim.lakin@legis.wisconsin.gov

Phone 608-266-5300



From: Ristow, Nathaniel L - DOR (Nate) [<mailto:Nathaniel.Ristow@revenue.wi.gov>]
Sent: Thursday, February 04, 2016 2:52 PM
To: 'witynski@lwm-info.org' <witynski@lwm-info.org>; Lakin, Tim <Tim.Lakin@legis.wisconsin.gov>; Kvalheim, Kody <Kody.Kvalheim@legis.wisconsin.gov>
Cc: Lois, Claude S - DOR <Claude.Lois@revenue.wi.gov>
Subject: RE: SB 689-chargebacks

Sorry everybody, two small changes. One to make sure we are considering whether the land is located in a TID in the correct year. The second clarifies that a negative increment (not decrement situation) is an exception to the TID test.

SECTION 2. 74.41 (1m) of the statutes is created to read:

74.41 (1m) AMOUNT COLLECTED FROM PROPERTY IN A TAX INCREMENTAL DISTRICT. A tax may not be included on a form submitted under sub. (1) if the tax was levied on property within a tax incremental district, as defined in s. 66.1105 or 60.85, unless the current value of the tax incremental district is lower than the base value of the tax incremental district, as defined in s. 66.1105 (5) (a) and s. 60.85 (5) (a), in the assessment year for which the tax was refunded, rescinded, collected, or corrected under sub. (1) (a) to (d).

Thanks!

Nate Ristow
(608) 266-7817
Nate.Ristow@revenue.wi.gov

From: Ristow, Nathaniel L - DOR (Nate)

Sent: Thursday, February 04, 2016 10:56 AM

To: witynski@lwm-info.org; Lakin, Tim - LEGIS <Tim.Lakin@legis.wisconsin.gov>; Kvalheim, Kody - LEGIS

Subject: SB 689-chargebacks

Below is language that the department would recommend to accomplish the goal of approving chargebacks that do not affect equalized value. We would suggest repealing the requirement that DOR review for the effect on equalized value when a chargeback is requested. Municipalities can request a 70.57 correction (under that statute, not 74.41) instead of a chargeback, under which we would review if the change affected equalized values. We expect this will continue to be a minority of municipalities. If the 70.57 request was denied because equalized values were not affected, municipalities could then request a chargeback under 74.41. 70.57 decisions are made by August, chargeback requests are due by October. A municipality can also simply request a chargeback without requesting a 70.57. Again, we expect most will do this. The current language appears to require DOR to correct the error both with a 70.57 and a chargeback if it affects equalized values (current law says we can do one or the other). The current language would also require DOR to review every chargeback request for an effect on the equalized value, even though the chargeback is required whether there is an change in equalized value or not. We also have concerns that (1)(c) of the non-stat portion of the bill would require us to grant all past denied chargebacks that meet the remaining thresholds. That would create an incredible burden on overlying jurisdictions and property taxpayers. If we need to discuss the intent of that provisions, please call me.

SECTION 1. 74.41 (1) of the statutes is amended to read:

74.41 Charging back refunded or rescinded taxes; sharing certain collected taxes. (1) SUBMISSION OF REFUNDED OR RESCINDED TAXES TO DEPARTMENT. By October 1 of each year, the clerk of a taxation district may submit to the department of revenue, on a form prescribed by the department of revenue, a listing of all general property taxes on the district's tax roll which, subject to sub. (1m) and (2), meet any of the following conditions:

SECTION 2. 74.41 (1m) of the statutes is created to read:

74.41 (1m) AMOUNT COLLECTED FROM PROPERTY IN A TAX INCREMENTAL DISTRICT. A tax may not be included on a form submitted under sub. (1) if the tax was levied on property within a tax incremental district, as defined in s. 66.1105 or 60.85, unless the tax incremental district is in a decrement situation, as defined in s. 66.1105 (2) (aj), for the assessment year in which the tax was refunded, rescinded, collected, or corrected under sub. (1) (a) to (d).

SECTION 3. 74.41 (3) of the statutes is repealed.

SECTION 4. 74.41 (4) of the statutes is repealed and recreated to read:

74.41 (4) CHARGE-BACK AMOUNT DETERMINED. The department of revenue shall, by the November 15 following submission of the form under sub. (1), determine the amount of rescinded or refunded taxes to be charged back to, and collected from, each taxing jurisdiction for which taxes were collected by the taxation district, and determine the amount of taxes collected under s. 74.33 to be shared with each taxing jurisdiction for which taxes were collected by the taxation district. Except for interest on refunds under s. 70.511 (2) (b) that is paid with respect to property that was assessed under s. 70.995 and that is not paid by the department of administration under s. 70.511 (2) (bm), the amount determined may not include any interest. The determination of the department of revenue under this subsection is reviewable only under s. 227.53.

SECTION 5. 74.41 (5) (a) of the statutes is amended to read:

74.41 (5) (a) The department of revenue shall certify to the clerk of the taxation district the amount determined to be charged back under sub. (4) ~~(a) or (b)~~ and shall furnish a copy of the certification to each affected taxing jurisdiction.

SECTION 6. 74.41 (5) (b) of the statutes is amended to read:

74.41 (5) (b) Each taxing jurisdiction to which an amount is charged back under sub. (4) ~~(b)~~ shall pay the amount certified under par. (a) to the taxation district treasurer by February 15 of the year following the determination under sub. ~~(3)~~ (4). By February 15 of the year following the determination under sub. ~~(3)~~ (4), the taxation district treasurer shall pay the amounts to be shared with other taxing jurisdictions.

SECTION 7. Nonstatutory provisions.

(1) With respect to a form submitted under section 74.41 (1), 2013 stats., before the effective date of this subsection to which any of the following applies, the department of revenue shall make the determination under section 74.41 (4), as affected by this act, and, depending on the outcome of those determinations, take the applicable actions under section 74.41 (4), as affected by this act:

(a) The department of revenue has not made a final determination under section 74.41 (3), 2013 stats., with respect to the taxes included on the form.

(b) The department of revenue's final determination under section 74.41 (3), 2013 stats., is being reviewed under section 227.53.

SECTION 8. Initial applicability.

(1) Except as provided in SECTION 7 of this act, this act first applies to a form submitted by a taxation district under section 74.41 (1) on the effective date of this subsection, regardless of the taxable year to which the form relates.

Nate Ristow
Legislative Advisor
Wisconsin Department of Revenue
(608) 266-7817
Nate.Ristow@revenue.wi.gov

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Pleviak, Krista

From: Ristow, Nathaniel L - DOR (Nate) <Nathaniel.Ristow@revenue.wi.gov>
Sent: Friday, February 05, 2016 9:18 AM
To: Pleviak, Krista
Subject: RE: SB 689-chargebacks

We think most of the references can remain. Here are the three we would change:

38.16(3)(bg)1. The limit otherwise applicable to a district board under this subsection is increased by an amount equal to the amount of any refunded or rescinded property taxes paid by the district board in the year of the levy if ~~the refunded or rescinded property taxes result in a redetermination of the district's equalized valuation as determined by~~ the department under s. 74.41.

70.73(1m) After board of review. If a town, village, or city clerk or treasurer discovers a palpable error, as described under s. 74.33 (1), in the assessment roll after the board of review has adjourned for the year under s. 70.47 (4), the clerk or treasurer shall correct the assessment roll before calculating the property taxes that are due on the property related to the error and notify the department of revenue of the correction under s. ~~74.41 (1)~~ 70.57.

121.91(4)(g)1.1. The limit otherwise applicable to a school district under sub. (2m) is increased by an amount equal to the amount of any refunded or rescinded property taxes paid by the school board in the year of the levy if ~~the valuation represented by the refunded or rescinded property taxes result in a redetermination of the school district's equalized valuation as determined by~~ the department of revenue under s. 74.41.

Nate Ristow
(608) 266-7817
Nate.Ristow@revenue.wi.gov

From: Pleviak, Krista [mailto:Krista.Pleviak@legis.wisconsin.gov]
Sent: Thursday, February 04, 2016 4:46 PM
To: Ristow, Nathaniel L - DOR (Nate) <Nathaniel.Ristow@revenue.wi.gov>
Cc: Lakin, Tim - LEGIS <Tim.Lakin@legis.wisconsin.gov>
Subject: RE: SB 689-chargebacks

Nate:

I have reviewed your requested changes to AB 689. There are a number of cross-references to s. 74.41 throughout the statutes. Given that we are changing the nature of the provision so that it no longer has anything to do with equalized values, I would appreciate your input on how these cross-references should be addressed. For example, should some cross-references be amended to include reference to both ss. 70.57 and 74.41? To refer only to s. 70.57? To refer to neither?

If you prefer, I can take my best guess. If you want to give your opinion, please take a look at the following, and let me know what you think:

38.16 (3) (bg) 1.
70.43 (3)
70.511 (2) (b)
70.73 (1m)
74.33 (3)

74.35 (6)
74.37 (7)
121.91 (4) (q) 1.

If I don't hear from you by noon tomorrow, I'll assume that you don't want to chime in.

Krista

Krista R. Pleviak

Legislative Attorney
Wisconsin Legislative Reference Bureau
P.O. Box 2037
Madison, WI 53701-2037
(608) 266 - 7290
krista.pleviak@legis.wisconsin.gov

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State of Wisconsin
2015 - 2016 LEGISLATURE

IN: 02/05/16
DUE: 02/08/16 (Mon.)

PI
LRBs0305?
KRP&JK...*km*

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE SUBSTITUTE AMENDMENT ,
TO SENATE BILL 689

*Generate
catalog*

1 AN ACT...; relating to: the charge-back of rescinded or refunded property taxes.

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

2 SECTION 1. 38.16 (3) (bg) 1. of the statutes is amended to read:

3 38.16 (3) (bg) 1. The limit otherwise applicable to a district board under this
4 subsection is increased by an amount equal to the amount of any refunded or
5 rescinded property taxes paid by the district board in the year of the levy if the
6 refunded or rescinded property taxes result in a redetermination of the district's
7 equalized valuation as determined by the department under s. 74.41.

History: 1971 c. 154, 211; 1973 c. 61, 90; 1975 c. 39; 1977 c. 29 ss. 493, 1647 (13); 1977 c. 300 ss. 1, 8; 1977 c. 418 s. 918m; 1979 c. 34; 1981 c. 20; 2011 a. 32, 75; 2013 a. 20, 145; 2015 a. 118.

8 SECTION 2. 70.73 (1m) of the statutes is amended to read:

9 70.73 (1m) AFTER BOARD OF REVIEW. If a town, village, or city clerk or treasurer
10 discovers a palpable error, as described under s. 74.33 (1), in the assessment roll after

1 the board of review has adjourned for the year under s. 70.47 (4), the clerk or
2 treasurer shall correct the assessment roll before calculating the property taxes that
3 are due on the property related to the error and notify the department of revenue of
4 the correction under s. ~~74.41 (1)~~ 70.57.

History: 1987 a. 378; 1991 a. 316; 1997 a. 253; 2001 a. 16.

5 **SECTION 3.** 74.41 (1) (intro.) of the statutes is amended to read:

6 74.41 (1) SUBMISSION OF REFUNDED OR RESCINDED TAXES TO DEPARTMENT. (intro.)
7 By October 1 of each year, the clerk of a taxation district may submit to the
8 department of revenue, on a form prescribed by the department of revenue, a listing
9 of all general property taxes on the taxation district's tax roll ~~which that~~, subject to
10 ~~sub.~~ subs. (1m) and (2), meet any of the following conditions:

11 **SECTION 4.** 74.41 (1m) of the statutes is created to read:

12 74.41 (1m) AMOUNT COLLECTED FROM PROPERTY IN A TAX INCREMENTAL DISTRICT.
13 A tax may not be included on a form submitted under sub. [✓](1) if the tax was levied
14 on property within a tax incremental district, as defined in s. 60.85 (1) (n) or 66.1105
15 (2) (k), unless the current value of the tax incremental district is lower than the tax
16 incremental base, as defined in s. 60.85 (1) (m) or 66.1105 (2) (j), in the assessment
17 year for which the tax was refunded, rescinded, collected, or corrected under sub. (1)
18 (a) to (d).

19 **SECTION 5.** 74.41 (3) of the statutes is repealed.

20 **SECTION 6.** 74.41 (4) (intro.) and (b) of the statutes are consolidated,
21 renumbered 74.41 (4) and amended to read:

22 74.41 (4) AMOUNT CHARGE-BACK AMOUNT DETERMINED. ~~If the~~ The department of
23 revenue determines under sub. ~~(3) that the equalized value of the taxation district~~

1 is changed as a result of consideration of the valuation represented by the taxes
2 under sub. (1), the department of revenue shall do one of the following: No P

3 No P (b) Determine shall, by the November 15 following submission of the form
4 under sub. (1), determine the amount of rescinded or refunded taxes to be charged
5 back to, and collected from, each taxing jurisdiction for which taxes were collected
6 by the taxation district, and determine the amount of taxes collected under s. 74.33
7 to be shared with each taxing jurisdiction for which taxes were collected by the
8 taxation district. Except for interest on refunds under s. 70.511 (2) (b) that is paid
9 with respect to property that was assessed under s. 70.995 and that is not paid by
10 the department of administration under s. 70.511 (2) (bm), the amount determined
11 may not include any interest. The determination of the department of revenue under
12 this subsection is reviewable only under s. 227.53.

History: 1987 a. 378; 1991 a. 39; 1995 a. 408; 2001 a. 16; 2005 a. 405.

13 **SECTION 7.** 74.41 (4) (a) of the statutes is repealed.

14 **SECTION 8.** 74.41 (5) of the statutes is amended to read:

15 74.41 (5) NOTICE AND PAYMENT. (a) The department of revenue shall certify to
16 the clerk of the taxation district the amount determined to be charged back or shared
17 under sub. (4) (a) ~~or (b)~~ and shall furnish a copy of the certification to each affected
18 taxing jurisdiction.

19 (b) Each taxing jurisdiction to which an amount is charged back under sub. (4)
20 (b) shall pay the amount certified under par. (a) to the taxation district treasurer by
21 February 15 of the year following the determination under sub. (3) (4). By February
22 15 of the year following the determination under sub. (3) (4), the taxation district
23 treasurer shall pay the amounts to be shared with other taxing jurisdictions.

History: 1987 a. 378; 1991 a. 39; 1995 a. 408; 2001 a. 16; 2005 a. 405.

24 **SECTION 9.** 121.91 (4) (q) 1. of the statutes is amended to read:

1 121.91 (4) (q) 1. The limit otherwise applicable to a school district under sub.
2 (2m) is increased by an amount equal to the amount of any refunded or rescinded
3 property taxes paid by the school board in the year of the levy ~~if the valuation~~
4 ~~represented by the refunded or rescinded property taxes result in a redetermination~~
5 ~~of the school district's equalized valuation~~ as determined by the department of
6 revenue under s. 74.41.

History: 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118.

7 **SECTION 10. Nonstatutory provisions.**

8 (1) With respect to a form submitted under section 74.41 (1), 2013 stats., before
9 the effective date of this subsection to which any of the following applies, the
10 department of revenue shall make the determinations under section 74.41 (4), as
11 affected by this act:

12 (a) The department of revenue has not made a final determination under
13 section 74.41 (3), 2013 stats., with respect to the taxes included on the form.

14 (b) The department of revenue's final determination under section 74.41 (3),
15 2013 stats., is being reviewed under section 227.53.

16 **SECTION 11. Initial applicability.**

AR

17 (1) Except as provided in SECTION 10 of this act, this act first applies to a form
18 submitted by a taxation district under section 74.41 (1) on the effective date of this
19 subsection, regardless of the taxable year to which the form relates.

20

(END)

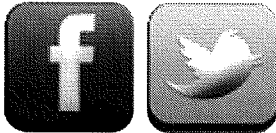
Pleviak, Krista

From: Lakin, Tim
Sent: Monday, February 08, 2016 3:40 PM
To: Pleviak, Krista
Subject: FW: Senate Sub Amendment on SB689 Chargeback

Sorry, Krista. Please make this change and then send the stripes over.

Thanks,

Tim Lakin
Chief of Staff
Senator Rick Gudex
Room 415-South, State Capital
Tim.lakin@legis.wisconsin.gov
Phone 608-266-5300



From: Ristow, Nathaniel L - DOR (Nate) [<mailto:Nathaniel.Ristow@revenue.wi.gov>]
Sent: Monday, February 08, 2016 3:36 PM
To: Lakin, Tim <Tim.Lakin@legis.wisconsin.gov>; Curt Witynski (witynski@lwm-info.org) <witynski@lwm-info.org>
Subject: RE: Senate Sub Amendment on SB689 Chargeback

We caught one more cross-reference. Since we change the reference in 70.73 (1m), to request the municipality notify DOR under s. 70.57, we would suggest also removing the 70.73(1m) reference from 74.41(1).

Drafting instructions:

74.41 (1) (d) of the statutes is repealed.

74.41 Charging back refunded or rescinded taxes; sharing certain collected taxes.

74.41(1) (1) SUBMISSION OF REFUNDED OR RESCINDED TAXES TO DEPARTMENT. By October 1 of each year, the clerk of a taxation district may submit to the department of revenue, on a form prescribed by the department of revenue, a listing of all general property taxes on the district's tax roll which, subject to sub. (2), meet any of the following conditions:

- (a) Have been refunded to taxpayers under s. 70.511.
- (b) Have been rescinded or refunded to taxpayers under s. 74.33.
- (bm) Have been refunded or collected under s. 70.43.
- (bn) Have been rescinded or refunded to taxpayers under s. 70.74 or 75.25 (2).
- (c) Have been refunded to taxpayers under s. 74.35 or 74.37.
- ~~(d) Have been corrected under s. 70.73 (1m).~~

Nate Ristow
(608) 266-7817
Nate.Ristow@revenue.wi.gov

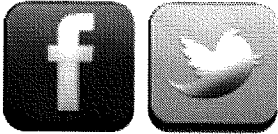
From: Lakin, Tim [<mailto:Tim.Lakin@legis.wisconsin.gov>]
Sent: Monday, February 08, 2016 11:03 AM
To: Curt Witynski (witynski@lwm-info.org) <witynski@lwm-info.org>; Ristow, Nathaniel L - DOR (Nate) <Nathaniel.Ristow@revenue.wi.gov>
Subject: Senate Sub Amendment on SB689 Chargeback

Nate and Curt,

Attached is the sub amendment. Please take a look before I have it introduced.

Thanks,

Tim Lakin
Chief of Staff
Senator Rick Gudex
Room 415-South, State Capital
Tim.lakin@legis.wisconsin.gov
Phone 608-266-5300



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State of Wisconsin
2015 - 2016 LEGISLATURE

LRBs0305/P1
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NOW

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

**SENATE SUBSTITUTE AMENDMENT,
TO SENATE BILL 689**

AMR

Rega

1 AN ACT *to repeal* 74.41 (3) and 74.41 (4) (a); *to consolidate, renumber and*
2 *amend* 74.41 (4) (intro.) and (b); *to amend* 38.16 (3) (bg) 1., 70.73 (1m), 74.41
3 (1) (intro.), 74.41 (5) and 121.91 (4) (q) 1.; and *to create* 74.41 (1m) of the
4 statutes; **relating to:** the charge-back of rescinded or refunded property taxes.

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

5 SECTION 1. 38.16 (3) (bg) 1. of the statutes is amended to read:

6 38.16 (3) (bg) 1. The limit otherwise applicable to a district board under this
7 subsection is increased by an amount equal to the amount of any refunded or
8 rescinded property taxes paid by the district board in the year of the levy if the
9 ~~refunded or rescinded property taxes result in a redetermination of the district's~~
10 ~~equalized valuation~~ as determined by the department under s. 74.41.

1 **SECTION 2.** 70.73 (1m) of the statutes is amended to read:

2 **70.73 (1m) AFTER BOARD OF REVIEW.** If a town, village, or city clerk or treasurer
3 discovers a palpable error, as described under s. 74.33 (1), in the assessment roll after
4 the board of review has adjourned for the year under s. 70.47 (4), the clerk or
5 treasurer shall correct the assessment roll before calculating the property taxes that
6 are due on the property related to the error and notify the department of revenue of
7 the correction under s. ~~74.41 (1)~~ 70.57.

8 **SECTION 3.** 74.41 (1) (intro.) of the statutes is amended to read:

9 **74.41 (1) SUBMISSION OF REFUNDED OR RESCINDED TAXES TO DEPARTMENT.** (intro.)
10 By October 1 of each year, the clerk of a taxation district may submit to the
11 department of revenue, on a form prescribed by the department of revenue, a listing
12 of all general property taxes on the taxation district's tax roll ~~which that~~, subject to
13 ~~sub.~~ subs. (1m) and (2), meet any of the following conditions:

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→

14 **SECTION 4.** 74.41 (1m) of the statutes is created to read:

15 **74.41 (1m) AMOUNT COLLECTED FROM PROPERTY IN A TAX INCREMENTAL DISTRICT.**

16 A tax may not be included on a form submitted under sub. (1) if the tax was levied
17 on property within a tax incremental district, as defined in s. 60.85 (1) (n) or 66.1105
18 (2) (k), unless the current value of the tax incremental district is lower than the tax
19 incremental base, as defined in s. 60.85 (1) (m) or 66.1105 (2) (j), in the assessment
20 year for which the tax was refunded, rescinded, collected, or corrected under sub. (1)

21 (a) to ^c~~(d)~~.

22 **SECTION 5.** 74.41 (3) of the statutes is repealed.

23 **SECTION 6.** 74.41 (4) (intro.) and (b) of the statutes are consolidated,
24 renumbered 74.41 (4) and amended to read:

1 74.41 (4) ~~AMOUNT CHARGE-BACK AMOUNT DETERMINED.~~ If the ~~The~~ department of
2 revenue determines under sub. (3) that the equalized value of the taxation district
3 is changed as a result of consideration of the valuation represented by the taxes
4 under sub. (1), the department of revenue shall do one of the following: (b) ~~Determine~~
5 shall, by the November 15 following submission of the form under sub. (1), determine
6 the amount of rescinded or refunded taxes to be charged back to, and collected from,
7 each taxing jurisdiction for which taxes were collected by the taxation district, and
8 determine the amount of taxes collected under s. 74.33 to be shared with each taxing
9 jurisdiction for which taxes were collected by the taxation district. Except for
10 interest on refunds under s. 70.511 (2) (b) that is paid with respect to property that
11 was assessed under s. 70.995 and that is not paid by the department of
12 administration under s. 70.511 (2) (bm), the amount determined may not include any
13 interest. The determination of the department of revenue under this subsection is
14 reviewable only under s. 227.53.

15 **SECTION 7.** 74.41 (4) (a) of the statutes is repealed.

16 **SECTION 8.** 74.41 (5) of the statutes is amended to read:

17 74.41 (5) NOTICE AND PAYMENT. (a) The department of revenue shall certify to
18 the clerk of the taxation district the amount determined to be charged back or shared
19 under sub. (4) (a) ~~or (b)~~ and shall furnish a copy of the certification to each affected
20 taxing jurisdiction.

21 (b) Each taxing jurisdiction to which an amount is charged back under sub. (4)
22 (b) shall pay the amount certified under par. (a) to the taxation district treasurer by
23 February 15 of the year following the determination under sub. (3) (4). By February
24 15 of the year following the determination under sub. (3) (4), the taxation district
25 treasurer shall pay the amounts to be shared with other taxing jurisdictions.

**2015-2016 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

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INSERT 2-14

1 SECTION 1. 74.41 (1) (d) of the statutes is repealed.

(END INSERT 2-14)