

2015 DRAFTING REQUEST

Bill

Received: **12/3/2014** Received By: **rkite**
Wanted: **As time permits** Same as LRB:
For: **Administration-Budget** By/Representing: **Byrnes**
May Contact: Drafter: **rkite**
Subject: **Nat. Res. - miscellaneous** Addl. Drafters: **jkreye**
State Finance - public lands
Tax, Property - other
Extra Copies:

Submit via email: **YES**
Requester's email:
Carbon copy (CC) to: **sbostatlanguage@webapps.wi.gov**

Pre Topic:

DOA:.....Byrnes, BB0258 -

Topic:

Aids in lieu of taxes on land purchased from DNR by BCPL

Instructions:

See attached

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>
/?	rkite 12/12/2014			_____			
/1		evinz 12/13/2014	rschluet 12/15/2014	_____	srose 12/15/2014		State S&L

FE Sent For:

<END>

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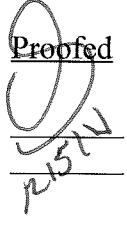
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FE Sent For:

<END>

Kite, Robin

From: Hanaman, Cathlene
Sent: Wednesday, December 03, 2014 1:23 PM
To: Kite, Robin; Shea, Elisabeth
Subject: FW: Statutory Language Drafting Request - BB0258

Remind me if this is not your draft.

From: Tyler.Byrnes@Wisconsin.gov [mailto:Tyler.Byrnes@Wisconsin.gov]
Sent: Wednesday, December 03, 2014 11:25 AM
To: Hanaman, Cathlene
Cc: Frederick, Caitlin - DOA; Byrnes, Tyler - DOA; Connor, Christopher B - DOA
Subject: Statutory Language Drafting Request - BB0258

Biennial Budget: 2015-17

DOA Tracking Code: BB0258

Topic: BCPL Aids in Lieu of Taxes

SBO Team: AEJ

SBO Analyst: Byrnes, Tyler - DOA
Phone: (608) 266-1103
E-mail: Tyler.Byrnes@Wisconsin.gov

Agency Acronym: DNR

Agency Number: 370

Priority: Medium

Intent:

Please prepare a draft that requires the Board of Commissioner of Public Lands to pay aids in lieu of taxes to local governments on property purchased from the Department of Natural Resources by the board.

Attachments: False

Please send completed drafts to SBOStatlanguage@webapps.wi.gov

Kite, Robin

From: Byrnes, Tyler - DOA <Tyler.Byrnes@wisconsin.gov>
Sent: Wednesday, December 03, 2014 3:49 PM
To: Kite, Robin
Subject: RE: Statutory Language Drafting Request - BB0258

Robin – This should apply to lands that BCPL has already purchased, as well as purchases in the future. Also, please create the sum sufficient appropriation to pay the aids.

Thanks,

Tyler

*Per Tyler - use current
approp. 20.507(1)(h)*

From: Kite, Robin [mailto:Robin.Kite@legis.wisconsin.gov]
Sent: Wednesday, December 03, 2014 3:41 PM
To: Byrnes, Tyler - DOA
Subject: FW: Statutory Language Drafting Request - BB0258

Tyler:

With respect to this drafting request, should the requirement to make payments in lieu of taxes apply to land that BCPL has already acquired or should the requirement be prospective only? That is, should the requirement only apply to land acquired after the effective date of the budget act? Also, do you want BCPL to make the payments from its general operations appropriation (s. 20.507 (1) (h))? Or should the draft create a new sum sufficient appropriation?

Thanks.

Robin N. Kite
Senior Legislative Attorney
Wisconsin Legislative Reference Bureau
1 E. Main St., Suite 200
Madison, WI 53703
(608) 266-7291

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State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-0785/1
RNK & JK:.....
Leev

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

FOR 2015-2017 BUDGET — NOT READY FOR INTRODUCTION

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1 AN ACT *relating to*; 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:

2 SECTION 1. 24.62 (4) of the statutes is created to read:

3 24.62 (4) If any land purchased by the board under s. 24.61 (2) (a) 10. from the
4 department was not at the time of purchase subject to assessment or levy of a real

SECTION 1

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

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

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

6 70.114 (1) (ag) "Board" means the board of commissioners of public lands.

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

8 70.114 (1) (b) 2. For land purchased on or after July 1, 2011, "estimated value,"
9 for the year during which land is purchased, means the lesser of the purchase price
10 or the determination of the land's equalized valuation under s. 70.57 in the year
11 before the year during which the land is purchased, increased or decreased to reflect
12 the annual percentage change in the equalized valuation of all property, excluding
13 improvements, in the taxation district, as determined by comparing the most recent
14 determination of equalized valuation under s. 70.57 for that property, except that if
15 the land was exempt from taxation in the year prior to the year during which the
16 ~~Department~~ department or board purchased the land, or enrolled in the forest
17 cropland program under subch. I of ch. 77 or the managed forest land program under
18 subch. VI of ch. 77 at the time of purchase, "estimated value," for the year during
19 which the land is purchased, means the lesser of the purchase price or an amount that
20 would result in a payment under sub. (4) that is equal to \$10 per acre. "Estimated
21 value," for later years, means the value that was used for calculating the aid payment
22 under this section for the prior year increased or decreased to reflect the annual
23 percentage change in the equalized valuation of all property, excluding
24 improvements, in the taxation district, as determined by comparing the most recent

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

3 History: 1989 a. 336; 1991 a. 39; 1997 a. 248; 2011 a. 32; 2013 a. 20.

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

4 70.114 (1) (c) “Land” means state forests, as defined in s. 28.02 (1), that are
5 acquired after December 31, 1991, state parks that are acquired after
6 December 31, 1991, under s. 27.01 and other areas that are acquired after
7 December 31, 1991, under s. 23.09 (2) (d), 23.091, 23.27, 23.29, 23.293, 23.31, 24.61
8 (2) (a) 10., or 29.749 (1).

9 History: 1989 a. 336; 1991 a. 39; 1997 a. 248; 2011 a. 32; 2013 a. 20.

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

10 70.114 (1) (d) “Purchase price” means the amount paid by the department or
11 the board for a fee simple interest in real property. “Purchase price” does not include
12 administrative costs incurred by the department or the board to acquire the land,
13 such as legal fees, appraisal costs or recording fees. If real estate is transferred to
14 the department or the board by gift or is sold to the department or the board for an
15 amount that is less than the estimated fair market value of the property as shown
16 on the property tax bill prepared for the prior year under s. 74.09, “purchase price”
17 means an amount equal to the estimated fair market value of the property as shown
18 on that tax bill. If the real estate is exempt from taxation at the time that it is
19 transferred or sold to the department or the board and if the property was not sold
20 at an arm’s-length sale, “purchase price” means the fair market value of the real
21 estate at the time that the department or the board takes title to it.

22 History: 1989 a. 336; 1991 a. 39; 1997 a. 248; 2011 a. 32; 2013 a. 20.

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



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
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FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

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12 the annual percentage change in the equalized valuation of all property, excluding
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19 transferred or sold to the department or the board and if the property was not sold
20 at an arm’s-length sale, “purchase price” means the fair market value of the real
21 estate at the time that the department or the board takes title to it.

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

23 70.114 (3) ASCERTAINING RATE. Each year, the department or the board shall
24 ascertain the aggregate net general property tax rate for taxation districts to which
25 aids are paid under this section by the department or the board.

