AN ACT to amend 20.835 (4) (gb) and 77.76 (3m); and to create 77.76 (6) of the statutes; relating to: the distribution of excess sales tax revenue collected by a local professional baseball park district and making an appropriation.

Analysis by the Legislative Reference Bureau

Under this bill, once the local professional baseball park district consisting of the counties of Milwaukee, Racine, Waukesha, Ozaukee, and Washington certifies to the Department of Revenue that it has paid the district’s bond obligations and fully funded reserves for maintenance and operating costs, DOR must distribute the excess special district sales and use tax revenues collected from the district to the counties that make up the district and to the municipalities within those counties. DOR determines each county’s proportionate share of the revenue to be distributed based on tax revenues derived from each county. The county receives 25 percent of that amount and the remaining 75 percent is distributed to each city, village, and town in the county based on population. The bill requires each county and municipality to deposit the revenue into a segregated account and be used only for property tax relief, tax levy supported debt relief, economic development, public safety, local roads, or public parks. However, a county or municipality may not make expenditures from the account without first adopting a resolution specifying the amount and purpose of the expenditure.
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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. 20.835 (4) (gb) of the statutes is amended to read:

20.835 (4) (gb) Special district taxes. All moneys received from the taxes imposed under s. 77.705, and from the appropriation account under s. 20.566 (1) (gd), and all moneys received under s. 341.14 (6r) (b) 13. b., for the purpose of distribution to the special districts that adopt a resolution imposing taxes under subch. V of ch. 77, and for the purpose of financing a local professional baseball park district, and for the purpose of making the payments under s. 77.76 (6) (a), except that of those tax revenues collected under subch. V of ch. 77 3 percent for the first 2 years of collection and 1.5 percent thereafter shall be credited to the appropriation account under s. 20.566 (1) (gd).

SECTION 2. 77.76 (3m) of the statutes is amended to read:

77.76 (3m) From the appropriation under s. 20.835 (4) (gb) the department, for the first 2 years of collection, shall distribute 97 percent of the taxes reported for each local professional baseball park district that has imposed taxes under this subchapter, minus the district portion of the retailers’ discounts, to the local professional baseball park district no later than the end of the 3rd month following the end of the calendar quarter in which such amounts were reported. From Exception as provided under sub. (6), from the appropriation under s. 20.835 (4) (gb) the department, after the first 2 years of collection, shall distribute 98.5 percent of the taxes reported for each local professional baseball park district that has imposed taxes under this subchapter, minus the district portion of the retailers’ discount, to
the local professional baseball park district no later than the end of the 3rd month following the end of the calendar quarter in which such amounts were reported. At the time of distribution the department shall indicate the taxes reported by each taxpayer. In this subsection, the “district portion of the retailers’ discount” is the amount determined by multiplying the total retailers’ discount by a fraction the numerator of which is the gross local professional baseball park district sales and use taxes payable and the denominator of which is the sum of the gross state and local professional baseball park district sales and use taxes payable. The local professional baseball park district taxes distributed shall be increased or decreased to reflect subsequent refunds, audit adjustments and all other adjustments of the local professional baseball park district taxes previously distributed. Interest paid on refunds of local professional baseball park district sales and use taxes shall be paid from the appropriation under s. 20.835 (4) (gb) at the rate paid by this state under s. 77.60 (1) (a). Any local professional baseball park district receiving a report under this subsection is subject to the duties of confidentiality to which the department of revenue is subject under s. 77.61 (5) and (6).

**SECTION 3.** 77.76 (6) of the statutes is created to read:

77.76 (6) (a) If a local professional baseball park district consisting of the counties of Milwaukee, Racine, Waukesha, Ozaukee, and Washington makes the certification to the department of revenue under s. 229.685 (2), the department shall distribute the taxes imposed by or collected for the district under s. 77.705 from the certification date onwards as follows, excluding taxes reported to the department before the certification date that the department paid to the district:
1. The department shall determine each county’s proportionate share of the revenue to be distributed under this subsection based on the tax revenues derived from each county, as determined by the secretary of administration under s. 229.71.

2. Each county shall receive 25 percent of the amount determined for that county under subd. 1. and the remaining 75 percent shall be distributed to the cities, villages, and towns in the county in proportion to the population of each such city, village, and town in the county compared to the county’s entire population. For purposes of this subdivision, the department shall use the population determined under s. 16.96 for the county and for each city, village, and town in the county.

(b) Each county and municipality that receives revenue under par. (a) 2. shall deposit the revenue into a segregated account established and controlled by the county or municipality to use only for property tax relief, tax levy supported debt relief, economic development, public safety, local roads, or public parks. A county or municipality may not make expenditures from the segregated account unless the governing body of the county or municipality adopts a resolution specifying the purpose for which the revenues will be spent and the amount of the revenues to be spent for that purpose.

(c) If the local professional baseball park district receives from the department any of the taxes imposed by or collected for the district under s. 77.705 from the certification date onwards, excluding taxes reported to the department before the certification date that the department paid to the district, the district shall return those taxes to the department, in the manner prescribed by the department, so that the department may distribute the taxes as provided in par. (a).

(d) The department shall distribute, as provided under par. (a), the taxes imposed by or collected for the district under s. 77.705 from the certification date to
the last day of the 3rd calendar quarter beginning after the certification date, including the amounts returned under par. (c), no later than the last day of the 4th calendar quarter beginning after the certification date. The department shall distribute, as provided under par. (a), any additional amounts collected for the district under s. 77.705 after the last day of the 3rd calendar quarter beginning after the certification date, including interest, penalties, and amounts due as a result of an audit determination, on the first day of the 4th calendar quarter beginning after the certification date and annually thereafter.

(e) Subsection (3m), as it relates to calculating the distribution from the appropriation under s. 20.835 (4) (gb), applies to calculating the distribution from that appropriation under this subsection. Interest paid on refunds of local professional baseball park district sales and use taxes issued by the department on or after the certification date shall reduce the amounts distributed under this subsection.

(END)