

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-4470/1	Introduction Number AB-0575
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Description
 property tax exemption for regional planning commissions

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs

Local:

<input checked="" type="checkbox"/> No Local Government Costs	5. Types of Local Government	
<input type="checkbox"/> Indeterminate	Units Affected	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
DOR/ Craig Steinfeldt (608) 266-5705	Jamie Adams (608) 266-6785	9/27/2021

Fiscal Estimate Narratives

DOR 9/27/2021

LRB Number	21-4470/1	Introduction Number	AB-0575	Estimate Type	Original
Description property tax exemption for regional planning commissions					

Assumptions Used in Arriving at Fiscal Estimate

Current law provides a property tax exemption for property owned by a county, city, village, town, school district, technical college district, public inland lake protection and rehabilitation district, metropolitan sewerage district, municipal water district, joint local water authority, long-term care district, or town sanitary district, among others. Under the bill, property owned by a regional planning commission would also receive a property tax exemption. The bill only requires property ownership and leasing the property, regardless of the lessee and the use of income, does not render that property taxable.

Of the nine regional planning commissions in Wisconsin, three own properties with differing tax treatment: The Northwest Regional Planning Commission (Spooner) and Southeastern Regional Planning Commission (Waukesha) receive a property tax exemption, while the Bay-Lake Region Planning Commission (Town of Lawrence) is subject to property taxes based on 2021 assessment data. The other six regional planning commissions would also be eligible for a property tax exemption if they obtained property ownership in the future.

Under the bill, the department estimates a property tax shift of approximately \$8,000 to other taxable properties with a minimal impact on the property taxes of a median value home. This is based on the taxable property that DOR is aware of in Brown County.

The department does not have any administrative costs, and the bill does not have a fiscal impact on any tax incremental financing districts at this time.

Long-Range Fiscal Implications