

CR 86-28

CERTIFICATE OF RULE ADOPTION

STATE OF WISCONSIN)
DEPARTMENT OF REVENUE) SS

RECEIVED

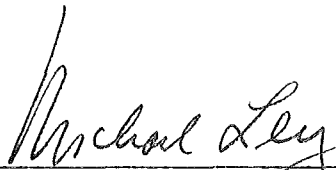
JUN 25 1986
8:15am
Revisor of Statutes
Bureau

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Michael Ley, Secretary of the Department of Revenue and custodian of the official records of said department do hereby certify that the annexed rules relating to assessor certification requirements were duly approved and adopted by this department on June 24, 1986.

I further certify that said copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY, WHEREOF, I have hereunto set my hand at 125 South Webster Street in the City of Madison, this 24th day of June, 1986.



Michael Ley
Secretary of Revenue

ORDER OF THE DEPARTMENT OF REVENUE
ADOPTING RULES

.....
IN THE MATTER creating Chapter Tax 18 relating .
to determination of the value and equalized .
value of agricultural land. .
.....

Analysis Prepared by the Department of Revenue

Recent legislative changes enacted in 1985 Wisconsin Act 54 require that real estate transfer returns include the financing terms of agricultural land transferred that are relevant to determining the value of the property starting with returns filed on January 1, 1986. Since there can be many interpretations of what agricultural land includes the Department of Revenue is promulgating rules that define agricultural property as mandated by this Act.

Statement of Statutory Authority

Pursuant to the authority vested in the department of revenue by s. 227.11, Stats., the department hereby creates rules interpreting ss. 70.32(1r) and 70.57(3), Stats., as follows:

CHAPTER TAX 18
DETERMINATION OF THE VALUE AND EQUALIZED VALUE OF AGRICULTURAL LAND
(ss. 70.32(1r) and 70.57(3), Stats.)

SECTION 1. Chapter Tax 18 is created to read:

Tax 18.01 PURPOSE. The purpose of this chapter is to establish a definition of agricultural land for its valuation by the department of revenue and municipal assessors.

Tax 18.02 SCOPE. This chapter is applicable to all conveyances of agricultural land transferred beginning January 1, 1986.

Tax 18.03 DEFINITIONS. (1)(a) "Agricultural land" is the land used by establishments primarily engaged in agricultural production and related services. This includes buildings and dwellings associated with growing production and associated services and the land necessary for their location.

NOTE: Agricultural lands that have been voluntarily or involuntarily idled and capable of production are specifically included under this definition of agricultural land.

(b) Agricultural land does not include:

1. Swamp or waste, bog, marsh, lowland brush, other wetlands, or other nonproductive land which because of soil or site conditions does not produce and is not capable of producing.

NOTE: Examples of land that is not agricultural land include rock outcroppings, borrow pits, abandoned and depleted quarries, and other land not used and with no potential for use.

2. Impounded surface water consisting of flooded land behind dams used for storage within defined project boundaries.

(2) "Agricultural production" includes establishments primarily engaged in:

- (a) The production of crops, plants, vines, or trees excluding forestry operations.
- (b) Keeping, grazing or feeding of livestock for the sale of livestock or livestock products, excluding serums, for livestock increase or for value increase.
- (c) Sod farming, maintaining mushroom cellars, and growing medicinal plants under sash or lath.
- (d) The production of bulbs, flowers and vegetable seeds, vegetables, melons, berry crops and grapes.
- (e) Private fish hatcheries licensed under s. 29.52, Stats.

(3) "Establishments" includes, farms, ranches, dairies, nurseries, orchards and cranberry bogs.

(4) "Livestock" includes cattle, sheep, goats, hogs, poultry, animal specialties including horses, rabbits, bees, pets, fur-bearing animals in captivity and fish in captivity.

The rules contained in this order take effect on the first day of the month following publication pursuant to s. 227.026, Stats. and applies to all conveyances of agricultural land transferred beginning January 1, 1986.

Dated: _____

June 24, 1986

DEPARTMENT OF REVENUE

Michael Ley
Michael Ley
Secretary of Revenue



State of Wisconsin \ DEPARTMENT OF REVENUE

Anthony S. Earl
Governor

June 24, 1986

Michael Ley
Secretary

125 SOUTH WEBSTER STREET
P.O. BOX 8933
MADISON, WISCONSIN 53708

Mr. Douglas LaFollette
Secretary of State
244 West Washington
Madison, WI 53702

Orlan L. Prestegard
Revisor of Statutes
30 West Mifflin Street, Suite 904
Madison, WI 53702

Dear Secretary LaFollette and Mr. Prestegard:

Enclosed is a certified copy of the administrative rule adopted by the Department of Revenue and an Order of the Department of Revenue Adopting Rules.

These materials are filed with you pursuant to s. 227.20, Stats.

Sincerely,

A handwritten signature in cursive script that reads "Michael Ley".

Michael Ley
Secretary of Revenue

ML:1mm
Enclosure

cc: Prentice-Hall, Inc.
Commerce Clearing House, Inc.