

1973 Assembly Bill 1511

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CHAPTER 283, Laws of 1973

AN ACT to amend 70.995 (1) (a) and (5) and 79.01; and to create 70.87 to 70.90 of the statutes, relating to a tax on copper mining.

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

SECTION 1. 70.87 to 70.90 of the statutes are created to read:

70.87 Taxation of copper production. (1) Beginning with the year following the first calendar year during which the production of copper concentrates first occurred and for each year thereafter there is imposed upon establishments engaged in the production of copper-bearing ores and copper concentrates a tax as follows:

(2) The amount of tax shall be equal to 1.5% of the taxable value of the metals recovered during the preceding calendar year from concentrates produced from copper-bearing ores mined in this state.

(3) The taxable value referred to in sub. (2) shall be the sum of the taxable values determined for each month in the preceding calendar year. The taxable value for each month is the market value of the metals recovered that month.

(4) The market value of the recovered metals is the sum of the market value determined for each metal. The market value of each metal shall be calculated by multiplying the quantity of such metal recovered during the month by the published engineering and mining journal average price, f.o.b. refinery, for that month applicable to that metal.

70.88 Reports, assessment, appeals. (1) **REPORTS.** On or before May 1, establishments engaged in the production of copper-bearing ores and copper concentrates shall file with the department of revenue a report that will set forth the data required under this section, and such other further data as may be required by the department. The books and records of the establishment shall be open to inspection and examination to employes of the department of revenue designated by the secretary of revenue and to the state geologist.

(2) **ASSESSMENTS.** On July 1, the department of revenue shall notify the taxpayer by registered mail of his liability under this section.

(3) **APEALS.** Appeals from the assessment in sub. (2) shall be made pursuant to s. 70.94 (3).

70.89 Collection of tax. (1) All taxes as evidenced by the notice of tax liability dated July 1 shall be due and payable to the department of revenue on or before January 31 of the year following the assessment year, and shall be deposited by the department with the state treasurer.

(2) Taxes unpaid on January 31 shall be deemed delinquent as of that date; and all the provisions of s. 70.96 shall apply to the collection of such delinquent taxes.

70.90 Distribution and apportionment of tax. (1) Fifteen days after the collection of the tax under s. 70.89, the department of administration and the state treasurer, upon certification by the department of revenue, shall pay:

(a) Ten percent to the state general fund;

(b) One and one-quarter percent to the county wherein lands from which minerals are being extracted are located;

(c) Two and three-quarters percent to the town, village or city wherein lands from which minerals are being extracted are located;

(d) The balance shall be entered in the municipal and county shared tax account and distributed under subch. I of ch. 79.

SECTION 2. 70.995 (1) (a) and (5) of the statutes, as affected by chapter 90, laws of 1973, are amended to read:

70.995 (1) (a) In this section "manufacturing property" includes all lands, buildings, structures and other real property used or, if vacant, designed for use in manufacturing, assembling, processing, fabricating, making or milling tangible personal property for profit. Manufacturing property also includes warehouses, storage facilities and office structures when the predominant use of such warehouses, storage facilities or offices is in support of the manufacturing property, and all personal property owned or used by any person engaged in this state in any of the activities mentioned, and used in such activity, including raw materials, supplies, machinery, equipment, work in process and finished inventory when located at the site of such activity. Establishments engaged in assembling component parts of manufactured products are considered manufacturing establishments if the new product is neither a structure nor other fixed improvement. Materials processed by a manufacturing establishment include products of agriculture, forestry, fishing, mining and quarrying. For the purposes of this section, establishments engaged in the production of copper-bearing ores and copper concentrates are considered manufacturing establishments.

(5) Commencing January 1, 1974, and annually thereafter, the department of revenue shall assess all property of manufacturing establishments included under subs. (1) and (2) as of the close of May 1 of each year. In assessing lands from which minerals are being extracted and valued for purposes of the tax on copper production under s. 70.87, the value of the mineral content of such lands shall be excluded. The taxes imposed by s. 70.87 shall be in lieu of such exclusion.

SECTION 3. 79.01 of the statutes, as affected by chapter 90, laws of 1973, is amended to read:

79.01 Account established. There is established an account in the general fund entitled the "Municipal and County Shared Tax Account", referred to in this chapter as the "shared tax account". There shall be recorded in such account all taxes and fees apportioned or appropriated thereto under ss. 20.395 (2) (wd), 70.90 (1) (d), 70.996 (1) (b), 70.997 (1) (b), 71.14 (8), 71.18 (3), 76.24 (3), 76.38 (7), 76.48 (4), 86.35 and 139.13. Except for recording such amounts in the shared tax account, they shall be treated as all other money in the general fund until distributed pursuant to this chapter.

SECTION 4. **Study committee.** (1) There is created a special study committee on mineral taxation composed of members as follows:

(a) Two members from the senate and 2 members from the assembly to be appointed as are members of standing committees.

(b) The state geologist.

(c) The secretary of revenue or his designee.

(d) Three public members appointed by the governor.

(2) The committee shall review the entire concept of taxation of minerals and shall propose a comprehensive state policy regarding the taxation of minerals and mineral rights.

(3) The committee shall be attached to the legislative council for administrative purposes and the legislative council shall furnish any staff deemed necessary by the committee.

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(4) The committee shall report its findings and recommendations to the legislature by April 1, 1975.
