

1983 Assembly Bill 1027

Date of enactment: May 2, 1984
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1983 Wisconsin Act 405

AN ACT to repeal 24.69, 70.30 (10), 71.10 (18) (a) and (c) and 120.17 (8) (b); to amend 30.52 (4) and (5) (a) 1, 66.46 (5) (g), 66.46 (6) (b), 71.03 (5) (a) and (b), 76.28 (1) (d), 77.04 (2), 77.16 (6), 77.54 (3), 77.57, 77.58 (1) (a) and (b), 77.61 (1) (c), 86.303 (5) (b) to (e), 86.303 (7) (a), 86.303 (7) (b) and (c), 86.303 (7) (d) and 350.12 (3) (d) and (7); and to create 71.041 of the statutes, relating to the definition of gross revenues for purposes of the license fee on utilities, technical and minor policy changes related to taxation, trust fund loans, tax incremental districts, financial reports on transportation costs, acreage shares on forest croplands, payments of the woodland tax and providing a penalty.

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

SECTION 1. 24.69 of the statutes is repealed.

SECTION 2. 30.52 (4) and (5) (a) 1 of the statutes, as affected by 1983 Wisconsin Act 27, are amended to read:

30.52 (4) SALES AND USE TAXES. The department shall collect from the applicant any sales and use taxes due under s. 77.61 (1) on any boat for which a certificate of number or registration is applied for and the report in respect to those taxes. The department shall use collection and accounting methods approved by the department of revenue.

(5) (a) 1. Upon receipt of a proper application for the issuance or renewal of a certificate of number accompanied by the required fee, a sales tax report and the payment of any sales and use tax due under s. 77.61 (1), the department shall issue to the applicant a certificate of number card. The certificate of number card shall state the identification number awarded, the name and address of the owner and other information the department deems necessary. The certificate of number card shall be of pocket size and of durable water resistant material.

SECTION 3. 66.46 (5) (g) of the statutes, as affected by 1983 Wisconsin Act 27, is amended to read:

66.46 (5) (g) The department of revenue shall annually give notice to the designated finance officer of all governmental entities having the power to levy taxes on property within each district as to the equalized value of such property and the equalized value of the tax increment base. Such notice shall also explain that the ~~entire amount of a tax increment~~ allocated to a city will shall be paid to the city as provided under sub. (6) (b) from the taxes collected.

SECTION 4. 66.46 (6) (b) of the statutes is amended to read:

66.46 (6) (b) Notwithstanding any other provision of law, every officer charged by law to collect and pay over or retain local general property taxes shall, ~~first,~~ on the ~~next~~ settlement ~~date~~ dates provided by law, pay over to the city treasurer out of all the taxes which the officer has collected the ~~total amount of a tax increment allocable to that city~~ proportion of the tax increment due the city that the general property taxes collected in the city bears to the total general property taxes levied by the city for all purposes included in the tax roll, exclusive of levies for state trust fund loans, state taxes and state special charges.

SECTION 5. 70.30 (10) of the statutes, as affected by 1983 Wisconsin Act 27, is repealed.

SECTION 7. 71.03 (5) (a) and (b) of the statutes are amended to read:

71.03 (5) (a) No gain ~~nor~~ or loss ~~shall~~ may be recognized to corporations if property ~~having a situs in Wisconsin and held for productive use in a trade or business or for investment;~~ not including stock-in-trade or other property held primarily for sale, ~~nor~~ stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, ~~or~~ other securities ~~or~~, indebtedness or interest; ~~is exchanged solely for property having a situs in Wisconsin, of a like kind, to be held either for productive use in a trade or business or for investment. The basis of the property acquired on in an exchange coming within this subsection shall be to which this paragraph applies is the same as in the case the basis of the property exchanged.~~

(b) ~~If an exchange would be within the provisions of par. (a) would apply to an exchange if it were not for the fact that the property received in exchange consists not only of property permitted by par. (a) to be received without the recognition of gain; but also of other property or money, then the gain, if any, to the recipient shall be recognized; but in an amount not in excess of the sum of such money and the fair market value of such other property. The basis of the "property of a like kind" acquired on in an exchange coming within this subsection shall be to which this paragraph applies is the same as in the case the basis of the property exchanged, and the basis of such the "other property" acquired (other than money) shall be is its fair market value at the date of the exchange.~~

SECTION 7m. 71.041 of the statutes is created to read:

71.041 Contributions to deferred payment plans. Subject to the limitations of section 404 of the internal revenue code, contributions to plans that meet the requirements of section 401 of the internal revenue code and that are made on or before the date on which the employer is required to file a return under this chapter, including extensions, are deemed to have been made on the last day of the taxable year for which that return is filed.

SECTION 12. 71.10 (18) (a) and (c) of the statutes are repealed.

SECTION 13. 76.28 (1) (d) of the statutes, as created by 1983 Wisconsin Act 27, is amended to read:

76.28 (1) (d) "Gross revenues" means total operating revenues as reported to the public service commission except revenues for interdepartmental sales and for interdepartmental rents as reported to the public service commission and deductions from the sales and use tax under s. 77.61 (4) less the actual cost of power purchased for resale, as reported to the public service commission, by a light, heat and power company, except a municipal light, heat and power company, that purchases under federal or state approved wholesale rates more than 50% of its electric power from a person other than an affiliated interest, as defined in s. 196.52 (1), if the revenue from that purchased electric power is included in the seller's gross revenues.

SECTION 14. 77.04 (2) of the statutes is amended to read:

77.04 (2) TAX PER ACRE; PAYMENT; PENALTY. ~~All owners shall pay to the town treasurer on or before the last day of February of each year on each description the~~ The "acreage share" shall be computed at the rate of 10 cents per acre on all lands entered prior to 1972. On all lands entered after December 31, 1971, the "acreage share" shall be computed every 10 years to the nearest cent by the department of revenue at the rate of 20 cents per acre multiplied by a ratio using the equalized value of the combined residential, mercantile, manufacturing, agricultural, swamp, or waste and productive forest land classes under s. 70.32 (2) within the state in 1972 as the denominator, and using equalized value for these combined land classes in 1982 and every 10th year thereafter as the numerator. All owners shall pay to the taxation district treasurer the acreage share on each description on or before the last day of February, except that if the owner pays general property taxes in instalments the acreage share shall be paid in full with the first instalment of the owner's general property taxes. ~~If the acreage share is not paid by the last day of February when due to the town taxation district treasurer it shall be subject to interest and penalty as provided under s. 74.80 from the preceding January 1. These lands shall be returned as delinquent and sold for delinquent taxes as provided for the sale of lands for taxes but no bid shall be received for the sale except from the county, and the county shall not be liable to the town taxation district for any amount except the acreage share subsequently paid by the owner. After 3 years from the sale of any tax certificate acquired by the county under this subsection, the county clerk shall promptly take a tax deed under s. 75.36, except that county board authorization shall not be required. On taking such deed the county clerk shall certify that fact and specify the descriptions to the department of natural resources.~~

SECTION 15. 77.16 (6) of the statutes is amended to read:

77.16 (6) The owner shall be liable and shall pay to the ~~town taxation district treasurer at the same time he or she pays the taxes on the remaining acreage of his or her land a tax~~ town taxation district treasurer the tax shall be paid in full with the first instalment of the owner's general property taxes. ~~On all lands entered or renewed after December 31, 1976, the rate shall be 40 cents per acre through 1982. In 1982 and at 10-year intervals thereafter the per acre rate shall be recalculated using the method specified in s. 77.04 (2) and rounded to the nearest cent. Such acreage tax shall be part of the total taxes on the land of the owner and subject to the collection of taxes provided for in ch. 74 in the same manner as is the forest croplands tax under s. 77.04 (2).~~

SECTION 16. 77.54 (3) of the statutes is amended to read:

77.54 (3) The gross receipts from the sales of and the storage, use or other consumption of tractors and machines, including accessories, attachments, fuel and parts therefor, used directly in farming, including dairy farming, agriculture, horticulture or floriculture, but excluding automobiles, trucks, and other motor vehicles for highway use, when engaged in by the purchaser or user as a business enterprise, but the purchaser of property exempt under this subsection shall be liable for ~~use~~ the sales tax under s. 77.57 at the time any more than nominal other use, including job contracting other than the performance of farm services by one farmer for another with machinery customarily used by the performing farmer in his own farming operation, is made of such property.

SECTION 17. 77.57 of the statutes is amended to read:

77.57 Liability of purchaser. If a purchaser certifies in writing to a seller that the property purchased will be used in a manner or for a purpose entitling the seller to regard the gross receipts from the sale as exempted by this subchapter from the computation of the amount of the sales tax, and uses the property in some other manner or for some other purpose, the purchaser ~~shall be~~ is liable for payment of the sales tax. The tax shall be measured by the sales price of the property to the purchaser, but if the taxable use first

occurs more than 6 months after the sale to the purchaser, ~~he~~ the purchaser may use as the measure of the tax either ~~such~~ that sales price or the fair market value of the property at the time the taxable use first occurs.

SECTION 17m. 77.58 (1) (a) and (b) of the statutes are amended to read:

77.58 (1) (a) If the amount of tax for any calendar quarter exceeds ~~\$500~~ \$600, the department may require by written notice to the taxpayer that the taxes imposed on and after the date specified in the notice are due and payable on the last day of the month next succeeding the calendar month for which imposed.

(b) If the amount of tax for any calendar quarter exceeds ~~\$3,000~~ \$3,600, the department may require by written notice to the taxpayer that the taxes imposed on and after the date specified in the notice are due and payable on the 20th day of the month next succeeding the calendar month for which imposed. The payment is timely if it fulfills the requirements under s. 77.61 (14).

SECTION 18. 77.61 (1) (c) of the statutes is amended to read:

77.61 (1) (c) In the case of motor vehicles, boats, snowmobiles, mobile homes not exceeding 45 feet in length, trailers, semitrailers or aircraft registered or titled, or required to be registered or titled, in this state purchased from persons who are not Wisconsin boat, trailer or semitrailer dealers or licensed Wisconsin aircraft, motor vehicle, mobile home or snowmobile dealers, the purchaser shall file a sales tax report and pay the tax prior to registering or titling the motor vehicle, boat, snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer or aircraft in this state.

SECTION 19. 86.303 (5) (b) to (e) of the statutes, as affected by 1983 Wisconsin Act 27, are amended to read:

86.303 (5) (b) Cost data shall be reported on a calendar year basis, and ~~reports financial report forms~~ or a written request for extension shall be submitted to the department of revenue as provided under pars. (c) and (d). All extensions under this paragraph shall be until May 15 and no extension beyond that date may be granted.

(c) The department and the department of revenue shall prescribe a statewide uniform ~~cost financial~~ reporting procedure under s. 73.10 for municipalities having a population of 2,500 or less. The ~~cost financial~~ report form or a written request for extension shall be submitted to the department of revenue by March 31 by municipalities having a population of 2,500 or less for the purposes under this section. All extensions under this paragraph shall be until May 15 and no extension beyond that date may be granted. The department of revenue shall forward the highway related cost data to the department.

(d) The department and the department of revenue shall prescribe a statewide uniform ~~cost financial~~ reporting procedure under s. 73.10 for counties and for municipalities over 2,500 population. The ~~cost reports financial report forms~~ or a written request for extension shall be submitted to the department of revenue by May 1 by counties and by municipalities over 2,500 population for the purposes under this section. All extensions under this paragraph shall be until May 15 and no extension beyond that date may be granted. The department of revenue shall forward the highway related cost data to the department.

(e) If a county or municipality fails to submit a substantially complete and accurate financial report form by the date required under par. (c) or (d) each year, as provided under this subsection, the aids payable to the county or municipality during the following year shall be equal to 90% of the aids actually paid to the county or municipality under s. 86.30 (4) during the preceding year.

SECTION 20. 86.303 (7) (a) of the statutes is amended to read:

86.303 (7) (a) The department shall analyze the county and municipal ~~cost reports~~ highway-related cost data to identify ~~cost reports that data that do~~ does not conform to reasonable averages and statistical groups or with previous reported costs. The depart-

ment may request information from those municipalities or counties to explain the deviation. If not satisfied, the department may order the municipality or county to conduct and report to the department an independent certified audit of their ~~cost~~ financial report, and the audit costs shall be a reportable cost item if the audit substantially verifies the original ~~cost~~ financial report.

SECTION 21. 86.303 (7) (b) and (c) of the statutes, as affected by 1983 Wisconsin Act 27, are amended to read:

86.303 (7) (b) If the county or municipality fails to conduct such an audit, the aids payable during the following year shall be equal to 90% of the aids actually paid during the preceding year. If the department has reason to believe that the 90% payment will be greater than the actual payment should be, the department may itself order an independent audit and deduct the audit costs from the transportation aids paid to the county or municipality under s. 86.30 (4). Any underpayment or overpayment of aids resulting from ~~cost~~ financial reporting errors shall be rectified by adjusting aids paid in the following year.

(c) Any municipality having a population of 2,500 or less which has submitted its ~~cost~~ financial report form may amend ~~such cost report~~ it prior to March 31 or prior to May 15 if a written request for extension has been received by the department of revenue. Any county or any municipality having a population over 2,500 which has submitted its ~~cost~~ financial report form may amend ~~such cost report~~ it prior to May 1 or prior to May 15 if a written request for extension has been received by the department of revenue. Any amendments shall be submitted to the department of revenue. Any county or municipality which desires to amend its ~~cost~~ financial report form after May 15 shall submit an independent, certified audit to the department of revenue no later than August 15.

SECTION 22. 86.303 (7) (d) of the statutes is amended to read:

86.303 (7) (d) Any county or municipality ~~which that~~ desires to amend ~~past-year~~ past-year cost reports shall submit an independent, certified audit to the department. Any county or municipality that desires to amend past-year financial report forms shall submit amendments to the department of revenue.

SECTION 23. 120.17 (8) (b) of the statutes is repealed.

SECTION 24. 350.12 (3) (d) and (7) of the statutes are amended to read:

350.12 (3) (d) Upon receipt of the required fee, a sales tax report, payment of sales and use taxes due under s. 77.61 (1) and an application on forms prescribed by it, the department shall issue to the applicant a registration certificate stating the registration number, the name and address of the owner, and other information the department deems necessary. The department shall issue 2 registration stickers or decals per snowmobile owned by an individual owner or put in use by a commercial owner. The stickers or decals shall be no larger than 2 inches in height and 4 inches in width and shall contain reference to the state, the department and the expiration date of the registration.

(7) SALES AND USE TAXES. The department shall collect sales and use taxes due under s. 77.61 (1) on any snowmobile registered under this section and the report in respect to those taxes. The department shall use collection and accounting methods approved by the department of revenue.

SECTION 25. **Initial applicability.** (2) The treatment of sections 71.03 (5) (a) and (b) and 71.05 (1) of the statutes by this act first applies to taxable year 1984.

(3) The treatment of section 71.041 of the statutes by this act first applies to plan years beginning after September 2, 1974.

(4) The treatment of section 77.58 (1) (a) and (b) of the statutes by this act first applies to taxable years beginning on January 1, 1985.

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SECTION 26. Effective dates. (1) Except as provided in subsections (2) and (3), this act takes effect on the day following publication.

(2) The treatment of sections 70.30 (10), 77.04 (2) and 77.16 (6) of the statutes takes effect on January 1, 1985.

(3) The treatment of section 76.28 (1) (d) of the statutes takes effect on November 11, 1984.
