

## Chapter Tax 6

## PUBLIC UTILITY TAXATION

Tax 6.01	Time for filing reports by freight line companies, and by railroad companies and street railway companies using cars of freight line companies	Tax 6.02	Returns for public utilities
		Tax 6.40	Waste treatment facilities (industrial/utility)

**Tax 6.01 Time for filing reports by freight line companies, and by railroad companies and street railway companies using cars of freight line companies.** (s. 76.04, Stats.) Every railroad company or street railway company required to file an annual report pursuant to s. 76.04 (2), Stats., shall file such report in the manner and form prescribed by the department of revenue, on or before April 15 each year. Each freight line company defined in s. 76.39, Stats., shall file supplementary information within 30 days after request therefor by the department of revenue.

**History:** 1-2-56; am. Register, June, 1975, No. 234, eff. 7-1-75.

**Tax 6.02 Returns for public utilities.** Forms listed below are used in the administration of the various taxes levied pursuant to ch. 76, Stats. The department of revenue normally furnishes 2 forms to reporting utilities, one for use in submitting a return and the other for preparing a copy for the taxpayer's file. Only one of the footnoted forms, which are duplicates of other agency forms, is furnished. Inquiries on obtaining extra forms should be addressed to the Department of Revenue, Utilities Section, 201 E. Washington Avenue, Madison, Wisconsin 53702.

See footnote when "Form" is preceded by a number.

*Transportation Utilities*

Form A—Railroad	-----	For all class 1 railroads
Form C—Railroad	-----	For all small railroads
Form G—Railroad	-----	For electric railroads
(1) Form I—Sleeping Car	-----	For Pullman Company
(1) Form—Express State Com.	-----	For Railway Express Company
Form E—Freight Line	-----	For private car line companies
Form H—Air Carrier	-----	For all scheduled air lines
(1) Form P—Pipeline	-----	For all oil pipe lines
(2) Form 2—Natural Gas Pipeline	-----	For all gas pipe line

*Communications Utilities*

Form G—Telephone	-----	For all telephone companies
(3) Form O—Telegraph	-----	For Western Union Telegraph Company

*Light, Heat and Power Utilities*

(4) Class A—Financial		For all electric, gas,
Electric Operating		water and heating
Gas Operating		utilities with gross
Water Operating		revenues in excess
Heating Operating		of \$1,000,000.

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- (4) Class B—Financial  
 Electric Operating  
 Gas Operating From \$150,000 to  
 Water Operating to \$1,000,000  
 Heating Operating
- (4) Class C & D—Financial  
 Electric Operating  
 Gas Operating Less than \$150,000  
 Water Operating  
 Heating Operating

Form F—Municipal ----- For all municipally owned utilities  
 Form J—R. E. A. ----- For all rural electric cooperatives  
 Form D—Conservation and Regulation ----- For all conservation  
 and regulation companies  
 Form A—Apportionment Sheets ----- For all light, heat  
 and power utilities

- (1) Interstate Commerce Commission form. (Forms C and G are also I. C. C. forms in part)
- (2) Federal Power Commission form.
- (3) Federal Communications Commission form.
- (4) Wisconsin Public Service Commission form.

**History:** 1-2-66; am. Register, June, 1976, No. 234, eff. 7-1-75.

**Tax 6.40 Waste treatment facilities (industrial/utility).** (s. 76.02 (10), Stats.) (1) **STATUTE.** (a) The exemption for a waste treatment facility otherwise taxable under s. 76.13 is contained in s. 76.02 (10), Stats.

(b) Property purchased or upon which construction began prior to July 31, 1975 shall be subject to s. 70.11 (21) 1973 Stats. Property purchased or upon which construction began on July 31, 1975 or thereafter shall be subject to s. 70.11 (21) 1975 Stats. and must be approved by the department.

(2) **APPROVAL.** (a) Requests for approval by public utilities subject to taxation under s. 76.13 Stats. for each waste treatment facility shall be made by completing the form entitled "Application for Exemption of Waste Treatment Facility-Utility." All actual costs of purchase or construction of the facility must be reflected on this form. The completed form is due February 1 of each year and is to be filed annually except in years subsequent to purchase or construction where no capital changes have occurred to the waste treatment facility, in which case a summary sheet may be submitted for these facilities. For good cause shown upon application by the applicant, the department may grant an extension of time not exceeding 120 days in which to file the application form.

(b) The completed form "Application for Exemption of Waste Treatment Facility-Utility" should be sent to the Bureau of Utility and Special Taxes, Division of State/Local Finance, Wisconsin Department of Revenue, 201 East Washington Avenue, Madison, WI 53702.

(3) **INDUSTRIAL WASTE TREATMENT FACILITY EXEMPTION.** (a) The words "waste," "treatment" and "facility" are deemed to have the following meanings:

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1. *Waste*; means that which is left over as superfluous, discarded or fugitive material. In addition, "*industrial waste*" is defined by reference to 144.01 (9) as liquid or other wastes resulting from any process of industry, manufacture, trade, business or the development of any natural resource. "*Air contaminant*" is defined by reference to 144.30 (1) as dust, fumes, mist, liquid, smoke, other particulate matter, vapor, gas, odorous substances or any combination thereof but shall not include uncombined water vapor.

2. *Treatment*; means removing, altering or storing waste.

3. *Facility*; means tangible property that is built, constructed or installed as a unit so as to be readily identifiable as directly performing a waste treatment function.

4. *Waste treatment facility*; means tangible property that is built, constructed or installed as a unit so as to be readily identifiable as directly removing, altering or storing leftover, superfluous, discarded or fugitive material. Monitoring equipment which is not a component or integral part of a waste treatment facility is not exempt.

(b) The exemption for industrial waste treatment facilities does not extend to "'unnecessary siltation' resulting from operations such as the washing of vegetables or raw food products, gravel washing, stripping of lands for development of subdivisions, highways, quarries and gravel pits, mine drainage, cleaning of vehicles or barges or gross neglect of land erosion" (s. 144.01 (10), Stats.).

(c) The exemption also does not apply to conversion of an industrial furnace from one type of fuel to another type of fuel. The exemption does not apply to the increased height of a smoke stack to diffuse emissions over a wide area or increments to property held for the production of income but which may be indirectly related to pollution abatement. However, the installation of a scrubber or electrostatic precipitator in a smoke stack could qualify for exemption.

(d) A facility may be given a partial or no exemption status depending on the economic purpose of the facilities existence. The judgment of the department shall be governed by the economic gain that the facility will produce in either income, reduced cost, increased capacity or improved product to the taxpayer claimant.

**History:** Cr. Register, July, 1979, No. 283, eff. 8-1-79.