



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0473/P2
JK:jld:jf

DOA:.....Ley, BB0031 - Allow continuous levy on property to collect delinquent taxes

FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Under current law, if a person who is liable for income taxes fails to pay the taxes within ten days from the date that the taxes become delinquent, DOR may place a levy on the person's real or personal property in order to collect the taxes. If the taxes remain unpaid, DOR may obtain the person's property and sell that property to pay the delinquent taxes. Under current law, a levy on commissions, salaries, or wages is continuous until the taxes are paid. Under this bill, all other levies may be either continuous or noncontinuous. A noncontinuous levy is one that is effective only on the date on which the levy is served on a third party for collection.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 71.91 (6) (a) 1. of the statutes is renumbered 71.91 (6) (a) 1g.

SECTION 2. 71.91 (6) (a) 1d. of the statutes is created to read:

71.91 (6) (a) 1d. "Continuous levy" means a levy that is in effect from the date on which it is served on a 3rd party until the liability out of which the levy arose is satisfied or until the levy is released, whichever occurs first.

SECTION 3. 71.91 (6) (a) 2n. of the statutes is created to read:

71.91 (6) (a) 2n. "Noncontinuous levy" means a levy that is in effect on the date on which it is served on a 3rd party.

SECTION 4. 71.91 (6) (b) of the statutes is amended to read:

71.91 (6) (b) *Powers of levy and distraint.* If any person who is liable for any tax administered by the department neglects or refuses to pay that tax within 10 days after that tax becomes delinquent, the department may collect that tax and the expenses of the levy by levy upon, and sale of, any property belonging to that person or any property on which there is a lien as provided by sub. (4) in respect to that delinquent tax. Whenever any property that has been levied upon under this section is not sufficient to satisfy the claim of the department, the department may levy upon any other property liable to levy of the person against whom that claim exists until the taxes and expenses of the levy are fully paid. A levy imposed under this paragraph may be continuous or noncontinuous, except that a levy on commissions, wages, or salaries is continuous until the liability out of which it arose is satisfied.

(END)