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LRB-0069/1 PG:lmk:rs

2005 ASSEMBLY BILL 96

February 8, 2005 – Introduced by Representatives AINSWORTH, HINES, MURSAU, OTT, OWENS and PETROWSKI. Referred to Committee on Ways and Means.

1 AN ACT to amend 32.05 (7) (d); and to create 32.05 (7) (e) of the statutes;

relating to: the payment of property taxes when property is condemned.

Analysis by the Legislative Reference Bureau

Under current law, a property owner whose property has been partially condemned for a sewer or transportation facility must pay property taxes in the year of the condemnation for both the condemnee's remaining property and the portion of the property that was awarded to the condemnor. Current law also provides that, in a partial condemnation, the prorated portion of the condemnee's current property tax obligation must be subtracted from the award of compensation for the taking. To recover both the condemnor's and the condemnee's prorated share of property taxes, the condemnee must file a claim with the condemnor.

This bill provides that, if the property owner retains a majority interest in the property after the condemnation, the condemnor may choose not to subtract the condemnee's prorated taxes from the award payment and may include the condemnor's prorated taxes in the award payment, thereby eliminating the need to file a claim with the condemnor.

For further information see the *state and local* 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:

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Section 1. 32.05 (7) (d) of the statutes is amended to read:

32.05 (7) (d) On or before said date of taking, a check, naming the parties in interest as payees, for the amount of the award less outstanding delinquent tax liens, proportionately allocated as in division in redemption under ss. 74.51 and 75.01 when necessary and less the condemnee's prorated taxes of the same year, if any, likewise proportionately allocated when necessary against the property taken, shall at the option of the condemnor be mailed by certified mail to the owner or one of the owners of record or be deposited with the clerk of the circuit court of the county for the benefit of the persons named in the award. The clerk shall give notice thereof by certified mail to such parties. The persons entitled thereto may receive their proper share of the award by petition to and order of the circuit court of the county. The petition shall be filed with the clerk of the court without fee.

Section 2. 32.05 (7) (e) of the statutes is created to read:

32.05 (7) (e) Notwithstanding par. (d), if the condemnor seeks less than a 50 percent interest in the property under sub. (3) (b), the condemnor may choose not to subtract the condemnee's prorated taxes of the same year, if any, from the award payment and may include the condemnor's prorated taxes of the same year, if any, in the award payment.

SECTION 3. Initial applicability.

(1) PRORATED PROPERTY TAXES FOR CERTAIN CONDEMNATIONS. This act first applies to jurisdictional offers that are served upon the owner, as specified in section 32.05(6) of the statutes, on the effective date of this subsection.