

CHAPTER 79

STATE REVENUE SHARING

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SUBCHAPTER I

MUNICIPAL AND COUNTY SHARED REVENUE ACCOUNT

79.005 Definitions. In this subchapter:

(1) "Municipality" means any town, village or city in this state. Where a municipality is located in more than one county, the portion thereof in each county shall be considered a separate municipality.

(2) "Population" means the number of persons residing in each municipality and county of the state as last determined by the department of administration under s. 16.96.

(3) "Production plant" also includes substations.

History: 1971 c. 125, 215; 1975 c. 39; 1981 c. 20 s. 1169.

79.006 New incorporations. In the case of municipalities formed after 1976, the information needed for the determinations under this chapter shall be calculated as follows: for those years for which the necessary data does not exist, the data for the new municipality and the municipality from which it was formed shall be combined and the sum shall be apportioned to each municipality in proportion to its respective full value in the first year of assessment of the new municipality.

History: 1981 c. 20.

79.01 Accounts established. (2) There is established an account in the general fund entitled the "Municipal and County Shared Revenue Account", referred to in this chapter as the "shared revenue account". There shall be ap-

propriated to the shared revenue account the sums specified in this subchapter.

History: 1971 c. 125; 1973 c. 90; 1973 c. 243 s. 82; 1973 c. 283, 336; 1975 c. 39; 1977 c. 29, 203; 1979 c. 221.

79.015 Statement of estimated payments. The department of revenue, on or before September 15 of each year, shall provide to each municipality and county a statement of estimated payments to be made in the next calendar year to the municipality or county under ss. 79.02 (2) (am), 79.03 (1), 79.04 and 79.06 less the amount under s. 79.025. The statements of estimated payments for 1982, 1983, 1984 and 1985 shall include an estimate of the amount of special adjustment repayments under s. 79.085 (3) and repayments of amounts withheld under s. 79.085 (5).

History: 1981 c. 20, 61, 93.

79.02 Preliminary distribution. (2) (am) Beginning on the 4th Monday in July, 1982, and annually thereafter, the department of administration, upon certification by the department of revenue, shall distribute to each municipality and county from the shared revenue account a percentage of that municipality's or county's current year's estimated payments under this subchapter. The percentage shall equal \$90,000,000 divided by the total amount to be distributed under this subchapter in the current year.

(b) Beginning on July 1, 1982, and annually thereafter, \$90,000,000 shall be entered from the general fund into the shared revenue account for the preliminary distribution under par. (am).

History: 1971 c. 125; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1979 c. 221; 1981 c. 14, 20, 93.

79.025 Payment in 1982. In 1982, an amount under s. 79.035 shall be used as specified.

History: 1981 c. 93, 314.

79.03 November distribution. (1) Annually on the 3rd Monday in November, the department of administration, upon certification by the department of revenue, shall distribute to municipalities and counties all funds entered in the shared revenue account as of the previous October 31, after reduction by the amounts necessary to make the payments from the shared revenue account under s. 79.04. The distributable share of each municipality and county shall consist of an amount determined on the basis of population under sub. (2), plus an amount determined under sub. (3), and plus an amount determined under sub. (5), less the amount distributed in July of that year under s. 79.02.

(2) (a) Every municipality's portion of the amount distributable under sub. (1) based on population shall equal the final distribution per capita factor times its population.

(b) For purposes of par. (a), "final distribution per capita factor" means the product of the 1982 population of this state times \$30 divided by the state's current year's population.

(3) (a) The amount in the shared revenue account as of the previous October 31, less the payments under sub. (2) and s. 79.04, and for 1982 less the amount distributed under sub. (5) shall be allocated to each municipality and county in proportion to its entitlement. In this paragraph, "entitlement" means the product of aidable revenues and tax base weight.

(b) In this subsection:

1. "Aidable revenues" means:

a. For a municipality, the average local purpose revenues.

b. For a county, the following percentages of the average local purpose revenue: 70% in 1982, 75% in 1983, 80% in 1984, 85% in 1985, 90% in 1986, 95% in 1987 and 100% in 1988 and thereafter.

2. "Average local purpose revenues" means the sum of the 3 prior years local purpose revenues divided by 3.

3. "Full valuation" means the full value of all taxable property for the preceding year as equalized for state tax purposes, except that for municipalities the value of real estate assessed under s. 70.995 is excluded. Value increments under s. 66.46 are included for municipalities but excluded for counties.

4. Except as provided in subd. 4. h, "local purpose revenues" means the sum of the following: local general purpose taxes; regulation revenues, except liquor and malt beverage licenses, business and occupational licenses and

cable television licenses; revenues for services to private parties by a county's or municipality's general operations or enterprises, except services by hospitals, nursing and rest homes, mass transit systems, urban development and housing agencies, liquor stores, cemeteries, and electric, gas and water utilities and, except judicial service fees and court costs, register of deeds fees, board paid for prisoners at county jails, fees for mental health, developmental disability and alcohol and drug abuse services provided by ss. 51.42 and 51.437 boards, welfare repayments by individuals, other health and social services fees, fees from older American projects, revenues from the sale of highway materials and services, snow, ice and weed control revenues, airport revenues, fairs and exhibits, auditoriums, stadiums and celebration revenues, forestry fees, and sewer revenues from private parties outside the municipality; revenue for sanitation services to private parties collected by sewerage, sanitation or inland lake rehabilitation districts; special assessment revenues, or in the case of enterprises, those special assessment revenues that are transferred to the municipality and county for general operations; tax base equalization aids; and, for municipalities only, a proxy for private sewer service costs. Taxes and revenues of sewerage, sanitation and inland lake rehabilitation districts that are local purpose revenues shall be allocated to municipalities in proportion to the amount of revenue that is derived from within the municipality. In this subdivision:

a. "Local general purpose taxes" means the portion of tax increments collected for payment to a municipality under s. 66.46 which is attributable to that municipality's own levy, general property taxes collected to finance the general purpose government unit, property taxes collected for sewage and sanitary districts, mobile home fees and municipal vehicle registration fees under s. 341.35 (1).

b. "Regulation revenues" means revenue from local licenses and local permits except revenues expressly excluded under this subdivision.

c. "Revenues for services to private parties by a county's or municipality's general operation or enterprises" means those revenues collected from private parties for services provided, including but not limited to: general government services such as license publication fees, sale of publications, clerk's fees, zoning fees and treasurer's fees; public safety services such as copies of accident reports, ambulance fees and fire calls; inspection services such as building, electrical, heat, plumbing, elevator and weights and measures; health and social services such as public health dispensary services; transportation services such as parking ramps and meters, and

dock and harbor fees; sanitation services such as refuse collection fees, sewage fees and landfill fees; leisure activity services such as library fines or fees, museum, zoo, golf, swimming pool and ice arena users or admission fees; conservation and development of natural resources services such as park use fees; except those services expressly excluded under this subdivision.

d. "Revenue for sanitation services to private parties" means revenues collected from private parties as refuse collection fees, sewerage service fees and landfill fees.

e. "Special assessment revenues" means charges assessed against benefited properties for capital improvements by a municipality or county placed on the current tax roll for collection or collected during the year in advance of being placed on the tax roll.

f. "Tax base equalization aids" means payments received under par. (a) and s. 70.996 (1m) (c), 1977 stats. and 1979 stats., s. 79.03 (3), 1977 stats. and 1979 stats., and s. 79.16 (3), 1977 stats. and 1979 stats.

g. "Proxy for private sewer service costs" means the greater of zero or the amount computed by multiplying \$25 times the municipality's population in the 2nd year preceding the distribution and then subtracting from that product the greater of 1) the sum of municipal general operation and capital project sewer service expenditures including storm sewer expenditures, through general operations; special assessment funds or enterprises, the municipality's share, based on its proportion of the full value of taxable property in the county, of county taxes levied for a sanitary or sewage district if the municipality is served by the sewer services financed by the county levies, tax levies of sewage and sanitation districts; sewer service charges directly paid to a neighboring municipality or fiscally independent sewer utility, or 2) the sum of sewer service charges, municipal general operation and capital project storm sewer expenditures through general operations, special assessment funds or enterprises, the municipality's share, based on its proportion of the full value of taxable property in the county, of county taxes levied for a sanitary or sewage district if the municipality is served by the sewer services financed by the county levies, tax levies of sewage and sanitation districts.

h. For the 1982 and 1983 shared revenue distributions, the sewer revenues from private parties component of the 1978 and 1979 calendar years' local purpose revenues shall be calculated as it was calculated for the November 1981 shared revenue distribution under sub. (1), except that the proxy for private sewer service costs shall be included. Miscellaneous revenues of a sewer enterprise operated by a

municipality or county also shall be included in 1978 and 1979 local purpose revenues.

5. "Standardized valuation" means the product of the standardized valuation per person times the population of a municipality or a county in the preceding year.

6. "Standardized valuation per person" is that number, rounded to the nearest hundred, that when used in the computation under par. (a) most nearly approximates the sum of entitlements for all municipalities and all counties to the funds distributable under par. (a).

7. "Tax base weight" means one minus the decimal obtained by dividing the full valuation by the standardized valuation, except that "tax base weight" shall be a decimal of at least 0.0.

8. "Sum of local purpose revenues" for those municipalities and counties whose fiscal year ends in the period July 1 to December 31 means the sum of local purpose revenues for the 3 fiscal years ending 2 years prior to the year of distribution. "Sum of local purpose revenues" for municipalities and counties whose fiscal year ends in the period January 1 to June 30 means the sum of local purpose revenues for the 3 fiscal years ending one year prior to the year of distribution.

(d) Where a municipality is located in more than one county, its local purpose revenues shall be apportioned to each such county portion on the basis of general property full value.

(4) (c) Except as provided in par. (f), beginning in 1979, the amount entered into the shared revenue account for total distributions under this subchapter shall increase over the amount entered for the prior year by the same rate as the actual rate of annual increase in the amount of general fund tax revenue collected by the state in the fiscal year ending during the calendar year of the distribution under this section, but not more than 12% or less than 5%.

(d) To maintain comparability for the purpose of computing the actual rate of annual increase in par. (c), adjustments shall be made to reflect reclassification of tax revenues as among state general fund tax revenues and program revenue, segregated revenue and local tax revenue appropriated under s. 20.835 (4). If a tax, or part thereof, is included in state general fund tax revenue in the most recent fiscal year, the tax, or corresponding part, shall also be included in state general fund tax revenue for the prior fiscal year. If a tax, or part thereof, is not included in state general fund tax revenue in the most recent fiscal year because of any reclassification, the tax, or corresponding part, shall be excluded from state general fund tax revenue for the prior fiscal year.

(e) In this subsection "state general fund tax revenue" means tax revenue collected by the

state except taxes classified as program revenue, segregated revenue and local tax revenue appropriated under s. 20.835 (4).

(f) In 1981, the total amounts to be distributed under this subchapter shall be \$541,700,000. In 1982, the total amount to be distributed under this subchapter shall be \$675,000,000.

(5) In 1982, \$11,700,000 shall be distributed to municipalities and counties in proportion to their share of the 1975 manufacturing machinery and equipment payments under s. 70.996, 1979 stats., as corrected and adjusted by the department of revenue.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317.

See note to 16.50, citing *Milwaukee v. Lindner*, 98 W (2d) 624, 297 NW (2d) 828 (1980).

79.035 Amount of payments; reductions.

(1) The amount shall be equal to the difference between the amounts computed under pars. (a) and (b):

(a) The municipality's or county's total payments under this subchapter for the current year.

(b) The municipality's or county's total payments under this subchapter for the current year if the amount appropriated to the shared revenue account under s. 79.03 (4) were \$37,000,000 less.

(2) The payments under this subchapter shall be reduced by the amount under sub. (1) and these reductions shall lapse to the general fund.

History: 1981 c. 93, 314, 317.

79.04 Public utility distribution. (1) Annually, on the 3rd Monday in November, the department of administration, upon certification by the department of revenue, shall distribute to a municipality having within its boundaries a production plant or a general structure, including production plants and general structures under construction, used by a light, heat or power company assessed under s. 76.07 except those described in s. 66.069 (2) or by an electric cooperative association assessed under ss. 76.07 and 76.48, respectively, the following amounts, except that no distribution shall be made for a production plant if the municipality received a distribution under sub. (3), pertaining to the same production plant:

(a) An amount from the shared revenue account determined by multiplying by 3 mills in the case of a town, and 6 mills in the case of a city or village, the first \$100,000,000 of the amount shown in the account, plus leased property, of each public utility on December 31 of the preceding year for either "production plant,

exclusive of land" and "general structures", or "work in progress" for production plants and general structures under construction, in the case of light, heat and power companies or electric cooperatives, for all property within a municipality in accordance with the system of accounts established by the public service commission or rural electrification administration, less depreciation thereon as determined by the department of revenue. The total of amounts, as depreciated, from the accounts of all public utilities for the same production plant is also limited to not more than \$100,000,000. The amount distributable to a municipality in any year shall not exceed \$300 times the population of the municipality, except for the guaranteed payment under par. (b).

(b) In 1976 each municipality will be guaranteed 90% of the adjusted 1975 payment; in 1977, 80% of the 1975 payment; in 1978, 70% of the 1975 payment; in 1979, 60% of the 1975 payment; in 1980, 50% of the 1975 payment; in 1981, 40% of the 1975 payment; in 1982, 30% of the 1975 payment; in 1983, 20% of the 1975 payment; in 1984, 10% of the 1975 payment; with no guarantee thereafter.

(c) The payment for any municipality in which a production plant is located, which the public service commission certifies to the department of revenue will produce a nominal rated capacity of 200 megawatts or more, shall be no less than \$75,000 annually, except that the amount distributable to a municipality in any year shall not exceed the per capita limit specified in par. (a).

(2) (a) Annually, beginning November 15, 1977, the department of administration, upon certification by the department of revenue shall distribute from the shared revenue account to any county having within its boundaries a production plant or a general structure, including production plants and general structures under construction, used by a light, heat or power company assessed under s. 76.07 or by an electric cooperative association assessed under ss. 76.07 and 76.48, respectively, an amount determined by multiplying by 6 mills the first \$100,000,000 of the amount shown in the account, plus leased property, of each public utility on December 31 of the preceding year for either "production plant, exclusive of land" and "general structures", or "work in progress" for production plants and general structures under construction, in the case of light, heat and power companies or electric cooperatives, for all property within a town in accordance with the system of accounts established by the public service commission or rural electrification administration, less depreciation thereon as determined by the department of revenue and by multiplying

by 3 mills the first \$100,000,000 of the amount as defined in this subsection for all property within a city or village. Amounts from the accounts, plus leased property, for production plants for which sub. (3) distributions pertain, shall be excluded in computing the distribution under this subsection. The total of amounts, as depreciated, from the accounts of all public utilities for the same production plant is also limited to not more than \$100,000,000. The amount distributable to a county in any year shall not exceed \$100 times the population of the county.

(b) The payment under par. (a) for any county in which a production plant is located, which the public service commission certifies to the department of revenue will produce a nominal rated capacity of 200 megawatts or more, shall be not less than \$75,000 annually, except that the amount distributable to a county in any year shall not exceed the per capita limit specified in par. (a).

(3) During each of the first 4 years after commencement of construction of a production plant described in sub. (1), which the public service commission certifies to the department of revenue will produce a nominal rated capacity of 250 megawatts or more, the counties in which the plant is located shall receive from the shared revenue account a payment of \$100,000 and the municipalities in which the plant is located shall receive from the shared revenue account a payment of \$100,000 and for purposes of these payments the limitations of \$100 multiplied by the population of the county and \$300 multiplied by the population of the municipality shall not apply. When a production plant is located in more than one county or municipality, the payment shall be proportioned according to the amounts shown on the preceding December 31 for the production plant in the account described in sub. (1) for "production plant exclusive of land" within each county or municipality, except that each county and municipality shall receive a minimum payment of \$20,000 and the remainder of the \$100,000 payment shall be proportioned according to the remaining utility plant value in other counties or municipalities.

History: 1971 c. 125, 215; 1973 c. 90 ss. 387, 391g; 1973 c. 243 s. 82; 1975 c. 39, 224; 1977 c. 29, 418; 1979 c. 34.

79.05 Municipal and county guarantee payments. (1) If the combined payments to any municipality under s. 79.03, except that 26% of the payment under s. 79.03 (3) is excluded, in 1981 are less than the combined payments under s. 79.03, 1973 stats., in 1975, that municipality shall receive a payment from the appropriation under s. 20.835 (1) (c) equal to its proportion of the sum of the decreases in

payments to municipalities and of the decreases in payments to counties as determined under sub. (3), except that the payment under this subsection shall not exceed 100% of the decrease in 1981.

(2) If a municipality is formed in 1976 or thereafter, for the purposes of the computation in sub. (1), the 1975 payment shall be considered to be divided between the new municipality and the municipality from which it was formed according to the proportion that the full value of the new municipality and the municipality from which it was formed bear to each other in the first year of assessment of the new municipality.

(3) If the average local purpose revenues, as defined in s. 79.03 (3) (b) 2, of a county in 1979 exceed its average local purpose revenues in 1976, and if the combined payments to the county under ss. 79.02 and 79.03 in 1981, except that 26% of the payment under s. 79.03 (3) is excluded, are less than the combined payments to the county under ss. 79.02 and 79.03 in 1979, the county shall receive a payment from the appropriation under s. 20.835 (1) (c) equal to its proportion of the sum of the decreases in payments to all counties and of the decreases in payments to municipalities as determined under sub. (1), except that the payment under this subsection shall not exceed 100% of that decrease in 1981. No payment may be made to a county under this subsection in any year in which the full valuation of the county, as defined in s. 79.03 (3) (b) 3, equals or exceeds the standardized valuation of the county, as defined in s. 79.03 (3) (b) 5.

History: 1979 c. 221; 1981 c. 20.

79.055 Minimum guarantee. If a municipality's or county's total payments under this subchapter are less than the municipality's or county's total payments under this subchapter as computed as if s. 79.03 (3) (b) 4. h were repealed, then from the appropriation under s. 20.835 (1) (b) municipalities and counties shall receive a payment equal to any deficiency between the municipality's or county's total payments under this subchapter and the municipality's or county's total payments under this subchapter as if s. 79.03 (3) (b) 4. h were repealed.

History: 1981 c. 317.

79.06 Minimum and maximum payments.

(1) **MINIMUM PAYMENTS.** (a) If the combined payments to any municipality or county under ss. 79.02 and 79.03 in 1982 are less than 90% of the combined payments to the municipality or county in 1981 under ss. 70.996 (1m), 79.02 and 79.05, 1979 stats., and s. 79.03; net of reductions under chapter 1, laws of 1981, sec-

tion 38, and chapter 20, laws of 1981, section 2045 (5); the municipality or county has an aids deficiency. The amount of the aids deficiency is the amount by which 90% of the combined payments to the municipality or county in 1981 under ss. 70.996 (1m), 79.02 and 79.05, 1979 stats., and s. 79.03; net of reductions under chapter 1, laws of 1981, section 38, and chapter 20, laws of 1981, section 2045 (5); exceeds the combined payments to the municipality or county under ss. 79.02 and 79.03 in 1982.

(b) If the combined payments to any municipality or county under ss. 79.02 and 79.03 in 1983 or any year thereafter are less than 90% of the combined payments to the municipality or county under this section and ss. 79.02 and 79.03 for the previous year, the municipality or county has an aids deficiency. The amount of the aids deficiency is the amount by which 90% of the combined payments to the municipality or county under this section and ss. 79.02 and 79.03 in the previous year exceeds the combined payments to the municipality or county under ss. 79.02 and 79.03 in the current year.

(c) In 1982 and thereafter, a municipality or county that has an aids deficiency shall receive a payment from the amounts withheld under sub. (2) equal to its proportion of all the aids deficiencies of municipalities and counties for that year.

(2) MAXIMUM PAYMENTS. (a) If the combined payments to a municipality or county in 1982 under ss. 79.02 and 79.03 exceed its combined payments in 1981 under ss. 70.996 (1m), 79.02 and 79.05, 1979 stats., and s. 79.03; net of reductions under chapter 1, laws of 1981, section 38, and chapter 20, laws of 1981, section 2045 (5); by more than the maximum allowable increase the excess shall be withheld to fund minimum payments in 1982 under sub. (1) (c).

(b) If the combined payments to a municipality or county in 1983 and thereafter under ss. 79.02 and 79.03 exceed its combined payments under this section and ss. 79.02 and 79.03 in the previous year by more than the maximum allowable increase, the excess shall be withheld to fund minimum payments in that year under sub. (1) (c).

(c) In this subsection, "maximum allowable increase" in any year means a percentage such that the sum for all municipalities and counties in that year of the excess of payments under ss. 79.02 and 79.03 over the payments as limited by the maximum allowable increase is equal to the sum of the aids deficiencies under sub. (1) in that year.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29; 1979 c. 34, 221; 1981 c. 20, 93.

79.08 Corrections and penalties for violations of levy limits. (1) If the department of administration or the department of revenue determines by September 15 of the year following any distribution under this subchapter that there was an overpayment or underpayment made in any certification by the department of revenue or resulting from populations changed as a result of a final court determination or a census determination under s. 16.96 (2) (dm) or in the distribution by the department of administration, the overpayment or underpayment shall be corrected as provided in this section. Except as provided under sub. (4), no corrections to any distribution may be made after September 15 of the year following the distribution. Any overpayment shall be corrected by reducing the subsequent year's distribution under the appropriate section of this subchapter. Any underpayment shall be corrected by increasing the subsequent year's distribution under the appropriate section of this subchapter. Corrections shall be made in the distributions to all municipalities and counties affected by the error. Corrections shall be without interest. When the sum of all underpayments and overpayments results in a net underpayment, the net underpayment shall be paid from the appropriation under s. 20.835 (1) (e). When the sum of all underpayments and overpayments results in a net overpayment, the net overpayment shall be returned to the general fund.

(2) Shared revenue payments made in 1980 under ss. 79.02 (2) (am) and 79.03 (2), 1979 stats., shall be corrected under sub. (1) based upon 1980 populations as determined under s. 16.96 (2) (dx). Shared revenue payments made in 1980 under s. 79.03 (3), 1979 stats., shall be corrected under sub. (1) based on the 1979 population as determined under s. 16.96 (2) (dx).

(3) Payments to any municipality or county under this subchapter shall be reduced as provided in ss. 60.175 (6), 61.46 (3) (f), 62.12 (4m) (f), 65.07 (2) (f) and 70.62 (4) (f). The amounts of those reductions shall remain in the municipal and county shared revenue account and shall become part of the funds to be distributed from that account in the next distributions.

(4) Notwithstanding the September 15 deadline under sub. (1), shared revenue payments made in 1979 under ss. 79.02 (2) (am) and 79.03 (2), 1979 stats., shall be corrected on the basis of the 1979 population as determined under s. 16.96 (2) (dx).

History: 1973 c. 158, 333; 1977 c. 29; 1979 c. 34; 1981 c. 20.

79.085 Special 1981 adjustment. (1) DEFINITIONS. In this section:

(a) "Adjustment ceiling percentage" means a percentage such that the sum for all municipalities and counties of the amounts by which the 1981 entitlement exceeds the adjustment ceiling percentage of the October 1980 estimate is equal to the sum of the 1981 payments under sub. (2).

(b) "October 1980 estimate" means the sum of the estimated payment amounts shown on the following notices to municipal and county clerks:

1. The notice titled "October 15, 1980 Estimated Shared Revenue Distribution for Calendar Year 1981"

2. The notice titled "10/21/80 Estimated Payment for Calendar Year 1981 79.16 (3) Aid, Shared Revenue Supplement"

(c) "1981 entitlement" means the amount that would be paid to a municipality or county in 1981 under this subchapter but for the application of levy limit penalties under s. 79.08 (3) and but for the adjustments under this section.

(2) **MINIMUM 1981 PAYMENT.** Payments under this subchapter in 1981 exclusive of levy limit penalties under s. 79.08 (3) may not be less than 92% of the October 1980 estimate. If the 1981 entitlement of a municipality or county is less than 92% of its October 1980 estimate, the municipality or county shall receive a special adjustment payment from the amounts withheld under sub. (4) equal to the difference between 92% of its October 1980 estimate and its 1981 entitlement.

(3) **REPAYMENT OF SPECIAL 1981 ADJUSTMENT.** The department shall reduce the 1982 payment under ss. 79.02, 79.03, 79.04 and 79.06 to any municipality or county that receives a 1981 payment under sub. (2) by an amount equal to the 1981 payment under sub. (2) or an amount equal to 15% of the municipality's or county's total payment in 1982 under ss. 79.02, 79.03, 79.04 and 79.06, whichever is less. The amount of the 1981 payment under sub. (2) in excess of the amount of the reduction, as calculated under this subsection, from the 1982 payment under ss. 79.02, 79.03, 79.04 and 79.06 shall be deducted from the municipality's or county's 1983 payment under ss. 79.02, 79.03, 79.04 and 79.06, but the amount of this deduction may not exceed 15% of the total payment in 1983 under ss. 79.02, 79.03, 79.04 and 79.06. The amount of the 1981 payment under sub. (2) in excess of the amount of the reduction, as calculated under this subsection, from the 1982 payment under ss. 79.02, 79.03, 79.04 and 79.06 and the amount deducted from the 1983 payment under ss. 79.02, 79.03, 79.04 and 79.06

shall be deducted from the municipality's or county's 1984 payment under ss. 79.02, 79.03, 79.04 and 79.06, but the amount of this deduction may not exceed 15% of the total payment in 1984 under ss. 79.02, 79.03, 79.04 and 79.06. Any amount of the 1981 payment under sub. (2) in excess of the amounts deducted in 1982, 1983 and 1984 under this subsection shall be deducted from the municipality's or county's 1985 payment under this subchapter.

(4) **MAXIMUM 1981 PAYMENT.** Payments under this subchapter in 1981 shall not exceed the adjustment ceiling percentage of the October 1980 estimate. If the 1981 entitlement of a municipality or county is greater than the adjustment ceiling percentage of the October 1980 estimate, the excess shall be withheld to fund minimum payments under sub. (2).

(5) **REPAYMENT OF AMOUNT WITHHELD.** In 1982, an amount equal to the sum of reductions in 1982 under sub. (3) shall be distributed to municipalities and counties in proportion to the amounts withheld from their payments in 1981 under sub. (4). In 1983, an amount equal to the sum of deductions in 1983 under sub. (3) shall be distributed to municipalities and counties in proportion to the amounts withheld from their 1981 payments under sub. (4). In 1984, an amount equal to the sum of deductions in 1984 under sub. (3) shall be distributed to municipalities and counties in proportion to the amounts withheld from their 1981 payments under sub. (4). In 1985, the amount of the 1981 payment under sub. (2) in excess of the amounts deducted in 1982, 1983 and 1984 under sub. (3) shall be distributed to municipalities and counties in proportion to the amounts withheld from their 1981 payments under sub. (4).

History: 1981 c. 61, 93

79.09 Administration. Counties and municipalities shall submit the information required under this subchapter by the department of revenue on forms prescribed by the department. Annually, each county and municipality shall contract with the department of revenue pursuant to s. 73.10 or a certified public accountant licensed under ch. 442 to compile and submit to the department the information required.

History: 1975 c. 39.

SUBCHAPTER II

PROPERTY TAX CREDITS

79.10 Wisconsin state property tax relief.

(1) **DISTRIBUTION.** On the first Monday in March of each year, commencing in 1982, the amount appropriated under s. 20.835 (2) (a) and (b) shall be distributed by the department

of administration to towns, villages and cities as determined under subs. (2) and (6), except that total payments under sub. (2) (a) in 1982 and total payments under sub. (2) (a) in 1983 shall be distributed on the 4th Monday in July, and except that a percentage of payments under sub. (6) in 1983 shall be distributed on the 4th Monday in July. The percentage of payments under sub. (6) that is distributed in July 1983 shall equal the quotient of \$2,500,000 divided by \$142,500,000. A percentage of payments under sub. (2) (a) in 1984 and thereafter shall be distributed on the 4th Monday in July. The percentage of payments under sub. (2) (a) that is distributed in July in 1984 and in July thereafter shall equal the quotient of total payments under sub. (2) (a) in 1983 plus \$2,500,000 divided by total payments under sub. (2) (a) in the current year.

(2) MUNICIPAL CREDITS. (a) The amount appropriated under s. 20.835 (2) (a) less the payments under pars. (b) and (c) and sub. (6) and plus the amount under subs. (7) and (8) shall be distributed to municipalities according to their share of additional school aid entitlements determined under par. (am). The municipality's share of additional school aid entitlements shall be equal to the proportion that the municipality's full value of taxable property, excluding value increments under s. 66.46, that is located within the school district is of the total school district's full value of taxable property, excluding value increments under s. 66.46.

(am) In this subsection "additional school aid entitlements" means the difference, under subs. 1 and 2, in school aids payments to elementary and secondary school districts under s. 121.08 for the current fiscal year based on the equalized valuations under s. 121.06, estimates of membership under s. 121.004 (8) and shared cost under s. 121.07 (6), between:

1. The guaranteed valuation sufficient to generate without proration total general school aids under s. 121.08 that will fall within the range of .999 and 1.001 of the amount appropriated under s. 20.255 (1) (cc) plus the amount appropriated under s. 20.835 (2) (a) less the payments under pars. (b) and (c) and sub. (6) and plus the amount under subs. (7) and (8); and

2. The guaranteed valuation sufficient to generate without proration total general school aids under s. 121.08 that will fall within the range of .999 and 1.001 of the amount appropriated under s. 20.255 (1) (cc).

(b) In 1982, \$54,417,900 shall be distributed to municipalities in proportion to their payments in 1981 under s. 79.17 (1), 1979 stats.

(c) In 1982, \$118,729,900 shall be distributed to municipalities in proportion to the allocable shares determined under par. (d). In

1983, \$110,000,000 shall be distributed to municipalities in proportion to the allocable shares determined under par. (d).

(d) 1. For 1982 and 1983, the allocable share of each municipality shall be the same proportion that the municipality's excess levies bear to the total of excess levies for all municipalities. If a municipality's average computed full value rate does not exceed the 3-year average of 50% of the state average full value rate, that municipality's excess levies shall be equal to zero. If a municipality's average computed full value rate does exceed the 3-year average of 50% of the state average full value rate, that municipality's excess levies shall be equal to the product of the average excess tax rate times the municipality's full value of all taxable property for the preceding year as equalized for state tax purposes.

2. In this paragraph, "average excess tax rate" means the amount obtained by computing for each of the 3 preceding years the difference between the computed full value rate of the municipality and 50% of the state average full value rate and then adding those 3 amounts and then dividing by 3.

(e) The state superintendent of public instruction shall calculate the additional school aid entitlements under par. (am) and shall certify the results to the department of revenue by October 30 of the year preceding the distribution. The state superintendent of public instruction shall also provide estimates of additional school aid entitlements to the department of revenue by August 15 of the year preceding the distribution.

(3) TAX CREDIT. On or before December 1 of the year preceding the distribution under sub. (1), the department of revenue shall notify the clerk of each town, village and city of the amount to be distributed to it under sub. (1) on the following first Monday in March and during the following year. The anticipated receipt of such distribution shall not be taken into consideration in determining the tax rate of the municipality but shall be applied as tax credits, as follows:

(a) The amount of the local assessed value of all assessed property of the municipality shall be reduced by the portion thereof which constitutes assessed value of personal property entitled to tax credit under s. 79.12, 1973 stats., or s. 79.17, 1979 stats.

(b) Every property taxpayer of the municipality having assessed property shall receive a tax credit in an amount determined by applying the percentage of the amount of the value of property assessed to the taxpayer to the amount of the distribution to be made to the municipality under sub. (1), as stated in the December 1 notification from the department of revenue,

except that payments under sub. (2) (a) shall be allocated only to those portions of the municipality that are located in the school district upon which the payments are based.

(c) The amount of the Wisconsin state property tax relief of particular property taxpayers, as determined under par. (b), shall be set forth and separately identified as the "WISCONSIN STATE PROPERTY TAX RELIEF" on the tax bills of such taxpayers issued immediately following the December 1 notification referred to in this subsection and shall serve to reduce the property taxes otherwise payable.

(4) DEFINITIONS. (a) "Computed full value rate" means the sum total of all general property taxes (including state, county, local and school taxes, and tax increments paid by any taxing jurisdiction under s. 66.46), the total amount of all special assessments made, assessed or levied for the year irrespective of the manner or time of collection, sewer service charges, occupational taxes, forest crop taxes and woodlands taxes levied and extended by a town, village or city, as reported to the department of revenue in its abstract of assessments and taxes, divided by the full value of all taxable property in the municipality as equalized for state purposes under s. 70.57 including value increments under s. 66.46, and the quotient expressed in mills per dollar of valuation.

(b) "Average computed full value rate of a municipality" means the average of the computed full value rate of the 3 years preceding the assessment year to which the tax credit is to apply.

(c) "Municipality" means any town, village or city in this state. Where a municipality is located in more than one county the portion thereof in each county shall be considered a separate municipality.

(d) The "average school tax levy" means the average of all school property taxes levied in a municipality, including all elementary, secondary and vocational, technical and adult education tax levies and tax levies for handicapped children's education programs under s. 115.86, net of municipal surplus funds applied against those levies, for the 3 years preceding the assessment year to which the tax credit applies.

(5) INCREASES. (a) Thereafter, the amount distributed under this subchapter from the appropriation under s. 20.835 (2) (a) shall increase over the amount distributed in the previous year under s. 20.835 (2) (a) by an amount equal to the product of the distribution under s. 20.835 (2) (a) in the previous year multiplied by the percent increase in state general fund tax revenue in the fiscal year preceding the distribution under this section but not less than 5% or not more than 12%.

(b) The total amount to be distributed under subs. (2), (6) and (7) shall be in 1982 \$260,000,000.

(6) PROPORTIONAL DISTRIBUTIONS. In 1982, \$59,365,000 shall be distributed to municipalities in proportion to their share of the sum of average school tax levies, as defined under sub. (4) (d) for all municipalities. In 1983, \$105,000,000 plus the amount under sub. (7) shall be distributed to municipalities in proportion to their share of statewide average school tax levies, as defined under sub. (4) (d). In 1984 and thereafter, \$195,000,000 plus the amount under sub. (7) shall be distributed to municipalities in proportion to their share of statewide average school tax levies, as defined under sub. (4) (d).

(7) ADDITIONAL SCHOOL TAX LEVY CREDIT. In 1983, \$37,500,000 shall be distributed under sub. (6). In 1984 and thereafter, an amount computed by multiplying 0.5% times the prior fiscal year's general sales and use tax collections and dividing the result by the prior year's average general sales tax rate on gross receipts shall be distributed under sub. (6).

(8) ADDITIONAL SCHOOL AID CREDIT. In 1983, \$37,500,000 shall be distributed under sub. (2) (a). In 1984 and thereafter, an amount computed by multiplying 0.5% times the prior fiscal year's general sales and use tax collections and dividing the result by the prior year's average general sales tax rate on gross receipts shall be distributed under sub. (2) (a). In this subsection, the average general sales tax rate shall be computed based on a daily weighted average of the sales tax rate imposed under s. 77.52 (1).

History: 1971 c. 125 ss. 412, 521; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317.

79.105 Minimum and maximum payments, adjustments. (1) MINIMUM PAYMENTS.

(a) 1. If the combined payments to any municipality under s. 79.10 (2) and (6) in 1982 are less than the sum of payments to the municipality in 1981 under s. 79.10 (2), 1979 stats., and the payment to the municipality in 1981 under s. 79.17 (1), 1979 stats., that was used to relieve taxes on real estate and line B personal property, as reported on the municipal treasurer's settlements sheet for the 1980 tax roll, the municipality has a credits deficiency for 1982. The amount of the credits deficiency is the amount by which the sum of payments to the municipality in 1981 under s. 79.10 (2), 1979 stats., and the payment to the municipality in 1981 under s. 79.17 (1), 1979 stats., that was used to relieve taxes on real estate and line B personal property, as reported on the municipal

treasurer's settlements sheet for the 1980 tax roll, exceeds the combined payments to the municipality under s. 79.10 (2) and (6) in 1982.

2. If the combined payments to any municipality under s. 79.10 (2) and (6) in 1983 are less than the combined payments to the municipality under this section and s. 79.10 (2) and (6) in 1982, the municipality has a credits deficiency for 1983. The amount of the credits deficiency is the amount by which the combined payments to the municipality in 1982 under this section and s. 79.10 (2) and (6) exceed the combined payments to the municipality under s. 79.10 (2) and (6) in 1983.

(b) 1. A municipality that has a credits deficiency for 1982 shall receive a payment from the amounts withheld in 1982 under sub. (2) (a) 1 equal to its proportion of all credits deficiencies for 1982.

2. A municipality that has a credits deficiency for 1983 shall receive a payment from the amounts withheld in 1983 under sub. (2) (a) 2 equal to its proportion of all credits deficiencies for 1983.

(2) MAXIMUM PAYMENTS. (a) 1. If the combined payments to a municipality in 1982 under s. 79.10 (2) and (6) exceed the sum of its payments in 1981 under s. 79.10 (2), 1979 stats., plus the amount of the payments to the municipality in 1981 under s. 79.17 (1), 1979 stats., that was used to relieve taxes on real estate and line B personal property, as reported on the municipal treasurer's settlements sheet for the 1980 tax roll, by more than the maximum allowable increase for 1982 the excess shall be withheld to fund minimum payments in 1982 under sub. (1) (b) 1.

2. If the combined payments to a municipality in 1983 under s. 79.10 (2) and (6) exceed the combined payments to the municipality under this section and s. 79.10 (2) and (6) in 1982 by more than the maximum allowable increase for 1983, the excess shall be withheld to fund minimum payments in 1983 under sub. (1) (b) 2.

(b) In this subsection:

1. "Maximum allowable increase for 1982" means a percentage such that the sum for all municipalities of the excess of the 1982 payments, as determined under s. 79.10 (2) and (6), over the 1982 payments limited by the maximum allowable increase for 1982 is equal to the sum of the credits deficiencies under sub. (1) (a) 1 for 1982.

2. "Maximum allowable increase for 1983" means a percentage such that the sum for all municipalities of the excess of the 1983 payments, as determined under s. 79.10 (2) and

(6), over the 1983 payments limited by the maximum allowable increase for 1983 is equal to the sum of the credits deficiencies under sub. (1) (a) 2 for 1983.

(3) ADJUSTMENTS. Notwithstanding sub. (1) (b), if payments under sub. (1) and s. 79.10 (2) and (6) exceed the municipality's average school tax levies, as defined in s. 79.10 (4) (d), then that municipality's payments for the current year under sub. (1) and s. 79.10 (2) and (6) shall be reduced by the amount that payments under sub. (1) and s. 79.10 (2) and (6) exceed average school tax levies, as defined under s. 79.10 (4) (d). These reductions shall be distributed among only those municipalities whose average school tax levies exceed their payments under sub. (1) and s. 79.10 (2) and (6), and shall be distributed proportionately according to each municipality's share of payments under s. 79.10 (6).

History: 1981 c. 93 ss. 154, 155.

79.11 Payment of tax credits. (1) The extension of the tax credits authorized by s. 79.10 on the tax roll shall be deemed payment of that portion of the total tax due on property to which such credits are applicable.

(2) The payment of the difference between the total tax which is due on any property less the amount of the tax credits applicable to such property authorized by this subchapter shall be considered payment in full of the property taxes due thereon in that year.

(3) In those cities, villages and towns where the payment of property taxes is authorized to be made in instalments, such instalment payments shall be based on the net amount of taxes due after the tax credits authorized by this subchapter have been applied.

History: 1971 c. 125 s. 411.

79.175 Property tax credit corrections.

(2) When a taxpayer has received an excess credit under s. 79.10 or under s. 79.17, 1979 stats., or both, the taxation district shall collect the excess from the taxpayer who received it. The excess shall be a direct claim by the taxation district and if not paid on demand may be collected in an action for debt by the taxation district or it may deduct such excess from the credits to which such taxpayer would otherwise be entitled in the next tax roll. The clerk shall add such excess to the tax credit certified by the department on the next December 1 and distribute the total according to s. 79.10 (3) (b) if the excess occurred under s. 79.10, or according to s. 79.17 (3) (b), 1979 stats., if excess occurred under s. 79.17, 1979 stats.

History: 1975 c. 39; 1981 c. 20, 314.

79.18 Underpayment of credits. If the credit under s. 79.10 or under s. 79.17, 1979 stats., was understated the treasurer shall pay such taxpayer the amount of the understatement if the tax has been paid in full. If the tax has not been paid in full the clerk shall issue an order check to the treasurer then in possession of the tax roll who shall apply such amount as payment on the taxes due. The next December 1 certification under s. 79.10 (3) or under s. 79.17 (3), 1979 stats., shall be reduced by the clerk for such payments or credits and the balance then remaining shall be distributed in accordance with s. 79.10 (3) (b) if the underpayment occurred under s. 79.10 or under s. 79.17 (3) (b), 1979 stats., if the underpayment occurred under s. 79.17, 1979 stats.

History: 1975 c. 39; 1981 c. 20.

79.185 Omitted property. (1) Property entitled to credit under s. 79.10 but omitted from the assessment roll shall be taxed according to s. 70.44 at the rate prevailing in the year of omission but shall receive the same state credit as other like property receives in the year in which it is placed on the tax roll.

(2) (a) Prior to 1981, property entitled to credit under s. 79.17, 1979 stats., but omitted

from the assessment roll shall be taxed according to s. 70.44 at the rate prevailing in the year of omission but shall receive the same state credit as other like property receives in the year in which it is placed on the tax roll.

(b) Beginning in 1981, property which would have been entitled to credit under s. 79.17, 1979 stats., if it had not been omitted from the assessment roll shall be taxed according to s. 70.44 at the rate prevailing in the year of omission and shall receive the same state credit as other like property received for that year.

History: 1975 c. 39; 1979 c. 34.

79.20 Personal property tax relief supplement. (1) Annually, beginning in 1982 and continuing until 1984, on or before April 20, upon certification of the correct amount by the department of revenue, the department of administration shall remit to the treasurer of each municipality from the appropriation under s. 20.835 (2) (bs), an amount equal to the following percentage of the amount received in 1981 under s. 79.20, 1979 stats.:

(a) In 1982, 75%.

(b) In 1983, 50%.

(c) In 1984, 25%.

History: 1979 c. 34; 1981 c. 1, 20.