



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

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Joint Committee on Finance

Paper #597

Farmland Preservation Per-Acre Credit Reestimate (Shared Revenue and Tax Relief -- Property Tax Credits)

[LFB 2015-17 Budget Summary: Page 405, #5]

CURRENT LAW

Persons owning land in agricultural production may be eligible for the refundable farmland preservation tax credit against individual or corporate income taxes due. Most claimants currently receive a credit of \$5, \$7.50 or \$10 for each acre under one or both of a restrictive covenant or zoning ordinance, each of which limits covered lands to agriculture-related uses. Credits are paid from a GPR sum-sufficient appropriation currently budgeted at \$20,000,000.

GOVERNOR

Reestimate the per-acre credit by -\$3,200,000 GPR in 2015-16 and -\$3,300,000 GPR in 2016-17. Per-acre credits would be estimated at \$16,800,000 in 2015-16 and \$16,700,000 in 2016-17.

MODIFICATION

Restore \$1,200,000 GPR in 2015-16 and \$1,500,000 GPR in 2016-17 to the credit.

Explanation: Per-acre credits were \$17.6 million in 2013-14 and are estimated at \$18.5 million in 2014-15. The modification would reestimate credits at \$18.0 million in 2015-16 and \$18.2 million in 2016-17 to reflect anticipated program trends and estimated claims.

Change to Bill	
GPR	\$2,700,000

Prepared by: Paul Ferguson