



Legislative Fiscal Bureau

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May 4, 2023

Joint Committee on Finance

Paper #207

Aids in Lieu of Property Taxes (Board of Commissioners of Public Lands)

CURRENT LAW

BCPL is required to pay aids in lieu of taxes on land it acquires that was subject to property taxes at the time of purchase. Aids are equal to the amount of property tax levied on the land in the year prior to Board acquisition. Unlike aids in lieu of property taxes paid by the Department of Natural Resources (DNR) or the Kickapoo Reserve Management Board (KRMB), aids paid by the Board are fixed and do not vary with changes in equalized value in the property tax jurisdiction. 2021 Act 58 created an annual appropriation for the payment of aids in lieu of taxes and provided \$15,000 in 2021-22 and \$25,000 in 2022-23 for these purposes.

MODIFICATION

Provide \$5,000 in 2023-24 and \$10,000 in 2024-25 for aids in lieu of taxes, setting the amount available for these aids at \$30,000 in 2023-24 and \$35,000 in 2024-25.

Change to Base	
GPR	\$15,000

Explanation: When BCPL engages in land sales, proceeds from the sale may be "banked" and used to purchase productive forestland in areas BCPL has identified for consolidation of its land holdings in northern Wisconsin. Since 2005, BCPL has been required to pay aids in lieu of taxes on lands that it acquires. In 2022-23, BCPL paid \$24,800 in aids. Land acquisitions completed by the Board in 2023 will increase BCPL's 2023-24 obligations by \$5,000. Additional land acquisitions that will close by 2025 will increase BCPL's 2024-25 obligations by an additional \$5,000.

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