



2003 SENATE JOINT RESOLUTION 41

August 27, 2003 - Introduced by Senators WIRCH, CARPENTER, DECKER, HANSEN, ERPENBACH, BRESKE and CHVALA, cosponsored by Representatives BLACK, TURNER, PLOUFF, BERCEAU, MILLER, BOYLE, POCAN, POPE-ROBERTS and KRUG. Referred to Committee on Judiciary, Corrections and Privacy.

- 1 **To amend** section 1 of article VIII of the constitution; **relating to:** authorizing the
- 2 legislature to reduce property taxes on principal dwellings owned and occupied
- 3 by residents of this state (first consideration).

Analysis by the Legislative Reference Bureau

This proposed constitutional amendment, proposed to the 2003 legislature on first consideration, permits the legislature to reduce property taxes on principal dwellings owned and occupied by residents of this state by creating a tax exemption from property taxes, or from property taxes levied for school purposes, in a dollar amount fixed by the legislature.

The general statement of the Wisconsin Constitution that the "rule of taxation shall be uniform" is subject to a number of exceptions: real estate taxes may be collected in more than one way; forests, minerals, agricultural land, undeveloped land, and certain kinds of personal property may be taxed differently than is other property; and nonuniform income taxes, privilege taxes, and occupational taxes may be imposed.

In addition to the substantive changes, this joint resolution makes stylistic changes and breaks this section into subsections to facilitate future amendments and to avoid conflicts if other amendments to this section are proposed.

A constitutional amendment requires adoption by 2 successive legislatures, and ratification by the people, before it can become effective. The proposed

amendment is not self-executing; consequently, even after ratification, no change will occur until the legislature enacts laws authorizing the property tax exemption.

1 ***Resolved by the senate, the assembly concurring, That:***

2 **SECTION 1.** Section 1 of article VIII of the constitution is amended to read:

3 [Article VIII] Section 1. The rule of taxation shall be uniform ~~but the~~ except as
4 follows:

5 (1) The legislature may empower by law authorize cities, villages or towns to
6 collect and return taxes on real estate located therein by optional methods.

7 (2) Taxes shall be levied upon such property with such classifications as to
8 forests and minerals including or separate or severed from the land, as the
9 legislature shall ~~prescribe~~ prescribes by law.

10 (3) Taxation of agricultural land and undeveloped land, both as defined by law,
11 need not be uniform with the taxation of each other nor with the taxation of other real
12 property.

13 (4) Taxation of merchants' stock-in-trade, manufacturers' materials and
14 finished products, and livestock need not be uniform with the taxation of real
15 property and other personal property, but the taxation of all such merchants'
16 stock-in-trade, manufacturers' materials and finished products and livestock shall
17 be uniform, except that the legislature may provide by law that the value thereof
18 shall be determined on an average basis. ~~Taxes may also be imposed~~

19 (5) The legislature may by law impose taxes on incomes, privileges and
20 occupations, which taxes may be graduated and progressive, and reasonable
21 exemptions may be provided.

22 (6) The legislature may reduce property taxes imposed on principal dwellings,
23 as defined by law, which are owned and occupied by residents of this state by creating

1 a tax exemption from property taxes, or from property taxes levied for school
2 purposes, in a dollar amount that the legislature provides by law. The dollar amount
3 must be uniform throughout the state.

4 ***Be it further resolved, That*** this proposed amendment be referred to the
5 legislature to be chosen at the next general election and that it be published for 3
6 months previous to the time of holding such election.

7 (END)