



2005 ASSEMBLY BILL 396

May 2, 2005 - Introduced by Representatives SCHNEIDER and VRUWINK. Referred to Joint Committee on Finance.

1 **AN ACT to repeal** 70.11 (36) (a); **to renumber** 70.11 (36) (b); and **to amend** 71.26
2 (1) (bm), 77.707 (1) and 229.685 (2) of the statutes; **relating to:** eliminating tax
3 benefits for and taxing authority of a local professional baseball park district.

Analysis by the Legislative Reference Bureau

Under current law, a local professional baseball park district (district) may collect sales and use taxes from the sale of tangible personal property and taxable services in the district. The district may not collect such taxes after the calendar quarter in which the district certifies to the Department of Revenue that the district has retired all of its bonds. Under this bill, the district may not collect sales and use taxes in the district after the effective date of this bill.

Under current law, the district's property is exempt from the property tax and its income is exempt from state income and franchise taxes. Under this bill, the district's property is subject to the property tax and its income is subject to state income and franchise taxes.

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:

4 **SECTION 1.** 70.11 (36) (a) of the statutes is repealed.

ASSEMBLY BILL 396**SECTION 2**

1 **SECTION 2.** 70.11 (36) (b) of the statutes is renumbered 70.11 (36).

2 **SECTION 3.** 71.26 (1) (bm) of the statutes is amended to read:

3 71.26 (1) (bm) *Certain local districts.* Income of a local exposition district
4 created under subch. II of ch. 229, ~~a local professional baseball park district created~~
5 ~~under subch. III of ch. 229~~, a local professional football stadium district created
6 under subch. IV of ch. 229, or a local cultural arts district created under subch. V of
7 ch. 229.

8 **SECTION 4.** 77.707 (1) of the statutes is amended to read:

9 77.707 (1) Retailers and the department of revenue may not collect a tax under
10 s. 77.705 for any local professional baseball park district created under subch. III of
11 ch. 229 after the calendar quarter during which the local professional baseball park
12 district board makes a certification to the department of revenue under s. 229.685
13 ~~(2) the effective date of this subsection ... [revisor inserts date]~~, except that the
14 department of revenue may collect from retailers taxes that accrued before that
15 calendar quarter and fees, interest and penalties that relate to those taxes.

16 **SECTION 5.** 229.685 (2) of the statutes is amended to read:

17 229.685 (2) If the district board determines that the revenues in the special
18 fund under this section exceed current operating expenses for the operation of
19 baseball park facilities, the district board shall apply the excess to either fund a fund
20 for maintenance costs and capital improvements or to retire bonds issued for the
21 initial construction of baseball park facilities, and any bonds issued to fund or refund
22 those bonds, prior to their maturity. ~~As soon as practicable after the retirement of~~
23 ~~all bonds issued for the initial construction of baseball park facilities and all bonds~~
24 ~~issued to fund or refund those bonds and after funding a fund for maintenance costs~~
25 ~~and capital improvements sufficiently to meet any maintenance or capital~~

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1 ~~improvement obligations between the district and any professional baseball team~~
2 ~~using baseball park facilities constructed under this subchapter as a home stadium,~~
3 ~~the district board shall make a certification to the department of revenue to that~~
4 ~~effect.~~

5 **SECTION 6. Initial applicability.**

6 (1) PROPERTY TAX. The treatment of section 70.11 (36) (a) and (b) of the statutes
7 first applies to the property tax assessments as of January 1, 2005.

8 (2) INCOME AND FRANCHISE TAXES. The treatment of section 71.26 (1) (bm) of the
9 statutes first applies to taxable years beginning after January 1, 2005.

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(END)