



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2003 Assembly Bill 488	Assembly Amendment 1
<i>Memo published:</i> December 4, 2003	<i>Contact:</i> William Ford, Senior Staff Attorney (266-0680)

Assembly Bill 488 would require the Department of Revenue (DOR) to provide a quarterly report to a local exposition district showing the amount of taxes imposed by the district that are paid by each taxpayer. The reports would be prepared with respect to the local district sales tax on food and beverages and the 3% tax on car rentals.

Assembly Amendment 1 would require DOR to also provide a quarterly report to a local exposition district showing the amount of room taxes imposed by the local exposition district paid by each taxpayer.

Legislative History

On December 3, 2003, the Assembly Committee on Ways and Means offered and adopted Assembly Amendment 1 by a vote of Ayes, 12; Noes, 0, and recommended Assembly Bill 488 for passage, as amended, by a vote of Ayes, 11; Noes, 1.

WF:tlu;ksm



**WISCONSIN LEGISLATIVE COUNCIL
ACT MEMO**

2003 Wisconsin Act 203 [2003 Assembly Bill 488]	Exposition Districts
2003 Acts: www.legis.state.wi.us/2003/data/acts/	Act Memos: www.legis.state.wi.us/lc/act_memo/act_memo.htm

2003 Wisconsin Act 203 (the Act) would require the Department of Revenue (DOR) to provide a quarterly report to a local exposition district showing the amount of taxes imposed by the district that are paid by each taxpayer. The reports would be prepared with respect to the local district sales tax on food and beverages and the 3% tax on car rentals.

The Act also requires DOR to provide a quarterly report to a local exposition district showing the amount of room taxes imposed by the local exposition district paid by each taxpayer.

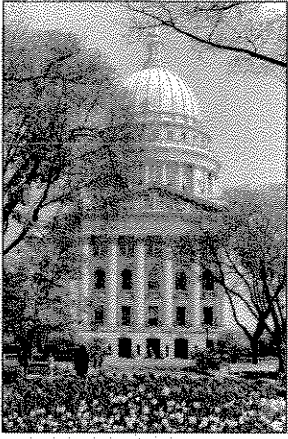
Effective Date: The Act takes effect on April 23, 2004.

Prepared by: William Ford, Senior Staff Attorney

May 19, 2004

WF:ksm

This memo provides a brief description of the Act. For more detailed information,
consult the text of the law and related legislative documents.



REPRESENTATIVE
S T E V E
FOTI
ASSEMBLY
MAJORITY LEADER

January 27, 2004

Senator Ron Brown
Room 104 South
Wisconsin State Capitol

via messenger

Dear Senator Brown:

I respectfully request a hearing in the Committee on Homeland Security, Veterans and Military Affairs and Government Reform for Assembly Bill 488 relating to the administration of local exposition district taxes.

This bill passed the Assembly Committee on Ways and Means on December 5th, 2003, by a vote of 11-1. It passed the full Assembly on a voice vote.

I have been the author of this important bill for many sessions. In the past, this bill never made it to the Senate floor for a vote.

Thank you for your consideration. If you should have any questions, please do not hesitate to contact me.

Sincerely,

Steve Foti
Assembly Majority Leader

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Alberta Darling
Wisconsin State Senator
Co-Chair, Joint Committee on Finance

Testimony in favor of AB 488
Senate Committee on Homeland Security,
Veterans and Military Affairs and Government Reform
February 18, 2004

Good morning Chairman Brown and members of the Committee on Homeland Security, Veterans and Military Affairs, and Government Reform. I am pleased to sit before you today for the purpose of testifying on Assembly Bill 488. Representative Foti and myself have cosponsored AB 488 on behalf of the Wisconsin Center District, of which we are board members.

As you may know, The Wisconsin Center District (WCD) is a government body created in 1994 to fund, build and operate the Midwest Airlines Center in downtown Milwaukee, and continue operating the existing venues now called the U.S. Cellular Arena and Milwaukee Theatre. Not a unit of state, county or city government, WCD is instead a semi-autonomous municipality called a "district," meaning its leaders are appointed and it can issue bonds and collect taxes within strict limits.

Under current law, a local professional baseball park district, like Miller Park, imposes a sales and use tax on the sale of tangible personal property and services. The Department of Revenue (DOR) collects these taxes and then distributes to the park district the amount of taxes collected minus administrative expenses. It is accompanied by a report that indicates the amount of the taxes collected from each retailer in the county or district. A local exposition district, like the WCD, imposes a sales tax on food and beverage sales in the district and on automobile sales. Similarly for professional baseball districts, DOR collects these taxes and then distributes to the park district the amount of taxes collected minus administrative expenses. However, DOR is not required to submit a similar report outlining the taxes collected from each retailer. This bill simply creates parity for the two districts.

Thank you again, Chairmen Brown, and members of the committee for letting me testify before you today. We have a representative, Jeff Sinkovec from the Wisconsin Center District here today that can explain for you in more detail why this parity is necessary.



REPRESENTATIVE
S T E V E
FOTI
ASSEMBLY
MAJORITY LEADER

February 18, 2004

Chairman Ron Brown
Committee on Homeland Security,
Veterans and Military Affairs,
and Government Reform

Dear Chairman Brown,

Chairman Brown and members of the Committee, thank you for the opportunity to submit written testimony today on Assembly Bill 488.

As you may know, the Wisconsin Center District (WCD) is a governmental body created in 1994 to fund, build and operate the Midwest Airlines Center in downtown Milwaukee, and continue operating the existing venues, now called the U.S. Cellular Arena and Milwaukee Theatre. The WCD is not a unit of state, county or city government, it is a semi-autonomous municipality called a "district," meaning its leaders are appointed and it can issue bonds and collect taxes within strict limits.

This simple piece of legislation goes a long way to provide parity among the various districts across the state including the Miller Park District and the "Lambeau Field District".

Under current law, these districts may impose a sales tax on food, beverage, and lodging sales in the districts. Retailers within the county or districts collect the tax and remit the tax to the Department of Revenue (DOR). DOR distributes the tax revenue, minus administrative expenses, along with a report indicating the amount of taxes collected from each retailer back to the districts.

A local exposition district, the Wisconsin Center District for example, may also impose a sales tax on food, beverage, and lodging sales and on automobile rentals. DOR collects these same taxes and distributes them back to the district minus administrative expenses. Unlike the professional baseball and football districts, DOR is not required to submit a report outlining each retailer's taxes. This bill will rectify the current scenario.

This bill passed the Committee on Ways and Means by a vote of 11-1. It passed the full Assembly on a voice vote.

Again, Chairman Brown and members of the committee thank you for allowing my written testimony today. If you have any questions, please do not hesitate to contact me at 266-8551.

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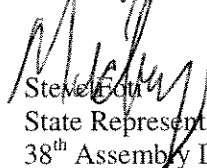
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Sincerely,


Steve Foti
State Representative
38th Assembly District

cc: Senator Dave Zien
Senator Scott Fitzgerald
Senator Bob Wirth
Senator Roger Breske



State of Wisconsin • DEPARTMENT OF REVENUE

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Jim Doyle
Governor

Michael L. Morgan
Secretary of Revenue

Senate Homeland Security, Veterans & Government Reform Committee Hearing, February 18, 2004

AB 488 - Administration of Local Exposition District Taxes (Rep. Foti, cosponsored by Sen. Darling by request of the Wisconsin Center District)

Description of Current Law and Proposed Change

- The City of Milwaukee established a local exposition district within which a sales tax is levied to finance an exposition center. The local exposition district tax has 4 parts: a 3% tax on car rentals, a 0.25% tax on food and beverages, a 2% basic room tax and, in the City of Milwaukee only, an additional 7% room tax.
- Under current law, along with the monthly distributions to county, baseball park and football stadium districts, the Department is required to provide each taxing jurisdiction a report showing the amount of taxes reported by each taxpayer. Jurisdictions receiving reports, including local exposition districts, are required to adhere to the same confidentiality requirements as the Department of Revenue.
- The bill would require the Department to provide a report to local exposition districts showing the amount of tax reported by each taxpayer subject to the car rental tax, and the food and beverages tax. At the Department's request, the bill was amended to include in the report amounts paid by each taxpayer subject to the room tax.

Fairness/Tax Equity

- The bill would not affect taxpayers; hence, it has no fairness or tax equity implications.

Impact on Economic Development

- None.

Administrative Impact/Fiscal Effect

- The Department would absorb one-time programming costs of \$10,000 to produce the report under the bill.

Department Position

- Neutral.

Prepared by: Blair Kruger (608) 266-1310

February 17, 2004

BK:skr

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