



**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 490**

December 11, 2019 - Offered by Representative BROOKS.

1 **AN ACT to repeal** 66.0602 (3) (a) and 66.0602 (3) (b) of the statutes; **relating to:**
2 changes to the local levy limit calculation for a political subdivision that
3 transfers, or accepts, responsibility to provide a governmental service to
4 another governmental unit.

Analysis by the Legislative Reference Bureau

Generally under current law, local levy limits are applied to the property tax levies that are imposed by a political subdivision in December of each year. Current law prohibits any political subdivision from increasing its levy by a percentage that exceeds its "valuation factor," which is defined as the greater of either 0 percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed.

Also under current law, if a political subdivision transfers to another governmental unit the responsibility to provide a service that it provided in the previous year, the levy increase limit otherwise applicable in the current year is decreased to reflect the cost that the political subdivision would have incurred to provide that service. Conversely, if a political subdivision increases the services it provides by adding responsibility for providing a transferred service, the levy

