



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2001 Assembly Bill 140

**Assembly
Amendment 1**

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Contact: William Ford, Senior Staff Attorney (266-0680)

Assembly Amendment 1 to 2001 Assembly Bill 140 revises the date from which interest is computed on homestead, farmland preservation or farmland tax relief credits that, after being paid to the recipient, are found to be invalid or excessive.

Under *current law*, interest on invalid or excessive homestead, farmland preservation or farmland tax relief credits is computed from the “due date of the claim.” However, because applying for these credits is voluntary, there is no due date for filing applications for the credit. There is, however, a deadline for filing these claims that is four years after the due date of the corresponding income tax return for the year to which the claim relates. While the department uses the deadline as the due date, the effect is that no interest may be charged to recover an invalid or excessive homestead, farmland preservation or farmland tax relief credit until as much as four years after the credit was applied for.

Assembly Amendment 1 provides that the starting date for computing interest on invalid or excessive homestead, farmland preservation, or farmland tax relief credits is the date upon which the claim for the credit was filed. In addition, Assembly Amendment 1 provides that a claim filed on or before the (unextended) due date for filing an income or franchise tax return to which the claim relates is considered to have been filed on the (unextended) due date.

Assembly Amendment 1 to 2001 Assembly Bill 140 was adopted on a vote of Ayes, 13; Noes, 0; and passage of Assembly Bill 140, as amended, was recommended by a vote of Ayes, 12; Noes, 1; by the Assembly Committee on Ways and Means on May 23, 2001.

WF:tlj;ksm