



1999 ASSEMBLY BILL 293

April 22, 1999 - Introduced by Representatives BRANDEMUEHL, FREESE, HASENOHRL, AINSWORTH, GRONEMUS, ALBERS, GOETSCH, GUNDERSON, HAHN, HUEBSCH, HUTCHISON, JOHNSRUD, KESTELL, KLUSMAN, KREIBICH, MUSSER, OLSEN, PETROWSKI, PETTIS, PORTER, SERATTI, SPILLNER, SYKORA and WARD, cosponsored by Senators RUDE, SCHULTZ, DRZEWIECKI and A. LASEE. Referred to Committee on Ways and Means.

1 **AN ACT to renumber and amend** 70.32 (2) (c) 1.; **to amend** 70.32 (2r) (a), 70.32
2 (2r) (b) 1. and 70.32 (2r) (b) 4.; and **to create** 70.32 (2) (c) 1. b. of the statutes;
3 **relating to:** the definition of agricultural land for purposes of the property tax.

Analysis by the Legislative Reference Bureau

Under current law, the assessed value of a parcel of agricultural land is frozen at the assessed value of the parcel as of January 1, 1995. Agricultural land does not include wooded land.

For each year's property tax assessment, the assessed value of a parcel of agricultural land is reduced by a four-part formula that includes subtracting the use value of the parcel from its frozen assessed value. The use value of a parcel of agricultural land is based on the income that is or could be generated from the rental of the parcel for agricultural use. Beginning with the property tax assessment after December 31, 2008, the formula for reducing the assessed value of a parcel of agricultural land will not apply, and a parcel of agricultural land will be assessed at its use value.

Under this bill, agricultural land includes some wooded land that is not productive forest land. The assessed value of a parcel of agricultural land that is wooded land is frozen at its assessed value as of January 1, 2000. Beginning with the assessments as of January 1, 2001, agricultural land that is wooded land is subject to the same tax assessment reducing formula as other agricultural land. After the assessments as of January 1, 2009, agricultural land that is wooded land will be assessed at its use value.

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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:

1 **SECTION 1.** 70.32 (2) (c) 1. of the statutes is renumbered 70.32 (2) (c) 1. (intro)
2 and amended to read:

3 70.32 (2) (c) 1. (intro.) “Agricultural land” means ~~land~~, all of the following:

4 a. Land, exclusive of buildings and improvements, that is devoted primarily to
5 agricultural use, as defined by rule.

6 **SECTION 2.** 70.32 (2) (c) 1. b. of the statutes is created to read:

7 70.32 (2) (c) 1. b. Land, exclusive of buildings and improvements, that is
8 contiguous to agricultural land under subd. 1. a.; that is owned by the person that
9 owns the contiguous agricultural land under subd. 1. a.; that is limited in acreage to
10 not more than 75% of the total acreage of all contiguous land that is owned by the
11 same person; that is so covered with trees or woody vegetation that it is impracticable
12 to use the land for pasture land or for growing crops; and that is not productive forest
13 land.

14 **SECTION 3.** 70.32 (2r) (a) of the statutes is amended to read:

15 70.32 (2r) (a) For the assessments as of January 1, 1996, and January 1, 1997,
16 or until the farmland advisory council under s. 73.03 (49) makes its recommendation,
17 but not to extend beyond January 1, 2009, the assessed value of each parcel of
18 agricultural land under sub. (2) (c) 1. a. is the assessed value of that parcel as of
19 January 1, 1995. For the assessments as of January 1, 2001, but not to extend beyond
20 January 1, 2009, the assessed value of each parcel of agricultural land under sub. (2)
21 (c) 1. b. is the assessed value of that parcel as of January 1, 2000. For the assessments

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1 as of January 1, 2001, but not to extend beyond January 1, 2009, agricultural land
2 under sub. (2) (c) 1. b. shall be assessed at the per acre rate for pasture land, as
3 established by the department of revenue. For the assessments after December 31,
4 2008, all agricultural land shall be assessed by the method under par. (c).

5 **SECTION 4.** 70.32 (2r) (b) 1. of the statutes is amended to read:

6 70.32 **(2r)** (b) 1. Subtract the value of the parcel as determined according to the
7 income that is or could be generated from its rental for agricultural use, as
8 determined by rule, from its assessed value as of January 1, 1996, or from its
9 assessed value as of January 1, 2001, if the parcel is agricultural land under sub. (2)
10 (c) 1. b.

11 **SECTION 5.** 70.32 (2r) (b) 4. of the statutes is amended to read:

12 70.32 **(2r)** (b) 4. Subtract the amount under subd. 3. from the parcel's assessed
13 value as of January 1, 1996, or from the parcel's assessed value as of January 1, 2001,
14 if it is agricultural land under sub. (2) (c) 1. b.

15 **SECTION 6. Effective date.**

16 (1) AGRICULTURAL LAND. This act takes effect on the January 1 after publication.

17 **(END)**