



2001 ASSEMBLY BILL 262

March 30, 2001 - Introduced by Representatives FREESE, RHOADES, ALBERS, JESKEWITZ, KESTELL, KRAWCZYK, LA FAVE, LASSA, LOEFFELHOLZ, MUSSER, OTT, PETTIS, PLOUFF, POWERS, TOWNSEND and URBAN, cosponsored by Senators HARSDORF, PLACHE and DARLING. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 38.28 (2) (b) 2., 79.03 (3) (b) 4. (intro.), 121.06 (4), 121.15 (3m)
2 (a) 1., 121.15 (4) (a) and 121.90 (2) (intro.); and **to create** 20.835 (1) (ed) and
3 79.096 of the statutes; **relating to:** the use value assessment of agricultural
4 land and making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, agricultural land is assessed at its use value that is based on the income that is or could be generated from the rental of the land for agricultural use. Under this bill, beginning in 2002 and ending in 2007, certain taxing jurisdictions, including municipalities, counties, and school districts, receive payments from the state to compensate the jurisdictions for any decrease in property tax revenue as a result of the use value assessment of agricultural land in those jurisdictions.

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:

5 **SECTION 1.** 20.835 (1) (ed) of the statutes is created to read:

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1 20.835 (1) (ed) *State aid; agricultural land*. A sum sufficient to make the state
2 aid payments under s. 79.096 (2).

3 **SECTION 2.** 38.28 (2) (b) 2. of the statutes is amended to read:

4 38.28 (2) (b) 2. The most current equalized values certified by the department
5 of revenue shall be used in aid determinations. Equalized values shall include the
6 full value of computers that are exempt under s. 70.11 (39) as determined under s.
7 79.095 (3) and the amount calculated under s. 79.096 (2) (b).

8 **SECTION 3.** 79.03 (3) (b) 4. (intro.) of the statutes is amended to read:

9 79.03 (3) (b) 4. (intro.) “Local purpose revenues” means the sum of payments
10 under s. ss. 79.095 and 79.096, local general purpose taxes, regulation revenues,
11 revenues for services to private parties by a county’s or municipality’s general
12 operations or enterprises, revenue for sanitation services to private parties, special
13 assessment revenues, tax base equalization aids and, for municipalities only, a proxy
14 for private sewer service costs, a proxy for private solid waste and recycling service
15 costs and a proxy for retail charges for fire protection purposes. In this subdivision:

16 **SECTION 4.** 79.096 of the statutes is created to read:

17 **79.096 State aid; agricultural land. (1) DEFINITIONS.** In this section:

18 (a) “Department” means the department of revenue.

19 (b) “Gross tax rate” has the meaning given in s. 79.095 (1) (b).

20 (c) “Taxing jurisdiction” means a municipality, county, school district or
21 technical college district.

22 **(2) PAYMENTS.** Beginning in 2002 and ending in 2007, annually on the first
23 Monday in July, the department shall pay to each taxing jurisdiction for which the
24 result under par. (b) is a positive number an amount determined by the department
25 as follows:

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1 (a) Calculate the value of agricultural land in the taxing jurisdiction, as of
2 January 1 of the preceding year, using the valuation method under s. 70.32 (2r) (b).

3 (b) Calculate the value of agricultural land in the taxing jurisdiction, as of
4 January 1 of the preceding year, using the valuation method under s. 70.32 (2r) (c)
5 and subtract that amount from the amount determined under par. (a).

6 (c) Multiply the amount determined under par. (b) by the taxing jurisdiction's
7 gross tax rate for the preceding year.

8 **(3) TREATMENT OF PAYMENTS BY SCHOOL DISTRICTS AND TECHNICAL COLLEGE**
9 **DISTRICTS.** School districts and technical college districts shall treat the payments
10 made under this section as if the payments had been received in the previous fiscal
11 year.

12 **(4) DISPUTES.** Any dispute between the department and a taxing jurisdiction
13 about the values determined under sub. (2) (a) or (b) shall be resolved by using the
14 procedures under s. 70.995 (8).

15 **SECTION 5.** 121.06 (4) of the statutes is amended to read:

16 121.06 **(4)** For purposes of computing state aid under s. 121.08, equalized
17 valuations calculated under sub. (1) and certified under sub. (2) shall include the full
18 value of computers that are exempt under s. 70.11 (39), as determined under s.
19 79.095 (3), and the amount calculated under s. 79.096 (2) (b).

20 **SECTION 6.** 121.15 (3m) (a) 1. of the statutes is amended to read:

21 121.15 **(3m)** (a) 1. "Partial school revenues" means the sum of state school aids,
22 other than the amounts appropriated under s. 20.255 (2) (bi) and (cv), property taxes
23 levied for school districts and aid paid to school districts under s. ss. 79.095 (4) and
24 79.096 (2), less the amount of any revenue limit increase under s. 121.91 (4) (a) 2. due
25 to a school board's increasing the services that it provides by adding responsibility

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1 for providing a service transferred to it from another school board, less the amount
2 of any revenue limit increase under s. 121.91 (4) (a) 3. and less the amount of any
3 revenue limit increase under s. 121.91 (4) (h).

4 **SECTION 7.** 121.15 (4) (a) of the statutes is amended to read:

5 121.15 (4) (a) In this subsection, "state aid" has the meaning given in s. 121.90
6 (2) except that it excludes aid paid to school districts under ~~s. ss.~~ 79.095 (4) and 79.096
7 (2).

8 **SECTION 8.** 121.90 (2) (intro.) of the statutes is amended to read:

9 121.90 (2) (intro.) "State aid" means aid under ss. 121.08, 121.09 and 121.105
10 and subch. VI, as calculated for the current school year on October 15 under s. 121.15
11 (4) and including adjustments made under s. 121.15 (4), and amounts under ~~s. ss.~~
12 79.095 (4) and 79.096 (2) for the current school year, except that "state aid" excludes
13 all of the following:

14 (END)