



2009 SENATE BILL 526

February 9, 2010 – Introduced by Senators VINEHOUT and HOLPERIN, cosponsored by Representative DANOU. Referred to Committee on Transportation, Tourism, Forestry, and Natural Resources.

1 **AN ACT** *to amend* 66.1113 (2) (a) and 66.1113 (2) (b); and *to create* 66.1113 (2)
2 (i) of the statutes; **relating to:** authorizing the village of Stockholm to become
3 a premier resort area.

Analysis by the Legislative Reference Bureau

Generally, under current law, the governing body of a city, village, town, or county (political subdivision) may, by a two-thirds vote of the members of the governing body, enact an ordinance or adopt a resolution declaring itself to be a premier resort area if at least 40 percent of the equalized assessed value of the taxable property within the political subdivision is used by tourism-related retailers. “Tourism-related retailers” is defined to be certain retailers who are classified in the standard industrial classification manual that is published by the U.S. Office of Management and Budget. The statutory definition includes 21 retailers who are so classified, including variety stores, dairy product stores, gasoline service stations, eating places, drinking places, and hotels and motels.

A premier resort area may impose a tax at a rate of 0.5 percent of the gross receipts from the sale, lease, or rental of goods or services that are subject to the general sales and use tax and are sold by tourism-related retailers. The proceeds of the tax may be used only to pay for infrastructure expenses within the jurisdiction of the premier resort area. The definition of “infrastructure expenses” includes the costs of purchasing, constructing, or improving parking lots; transportation facilities, including roads and bridges; sewer and water facilities; recreational facilities; fire fighting equipment; and police vehicles.

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Also under current law, the city of Eagle River, the city of Bayfield, the village of Ephraim, and the village of Sister Bay are authorized to enact an ordinance or adopt a resolution to become a premier resort area notwithstanding the fact that neither city nor village meets the generally applicable requirement that at least 40 percent of the equalized assessed value of the taxable property within a political subdivision be used by tourism-related retailers. In the cases of Sister Bay and Ephraim, the premier resort area tax may not take effect in either village unless it is approved in a referendum of the electors.

This bill allows the village of Stockholm to become a premier resort area notwithstanding the fact that it does not meet the generally applicable requirement that at least 40 percent of the equalized assessed value of the taxable property within a political subdivision be used by tourism-related retailers. As is the case with the villages of Sister Bay and Ephraim, the premier resort area tax may not take effect in Stockholm unless it is approved in a referendum of the electors.

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.** 66.1113 (2) (a) of the statutes is amended to read:

2 66.1113 **(2)** (a) The governing body of a political subdivision, by a two-thirds
3 vote of the members of the governing body who are present when the vote is taken,
4 may enact an ordinance or adopt a resolution declaring itself to be a premier resort
5 area if, except as provided in pars. (e), (f), (g), ~~and (h)~~, and (i), at least 40% of the
6 equalized assessed value of the taxable property within such political subdivision is
7 used by tourism-related retailers.

8 **SECTION 2.** 66.1113 (2) (b) of the statutes is amended to read:

9 66.1113 **(2)** (b) Subject to pars. (g) and (h), and (i), a political subdivision that
10 is a premier resort area may impose the tax under s. 77.994.

11 **SECTION 3.** 66.1113 (2) (i) of the statutes is created to read:

12 66.1113 **(2)** (i) The village of Stockholm may enact an ordinance or adopt a
13 resolution declaring itself to be a premier resort area under par. (a) even if less than

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1 40 percent of the equalized assessed value of the taxable property within Stockholm
2 is used by tourism-related retailers. The village may not impose the tax authorized
3 under par. (b) unless the village board adopts a resolution proclaiming its intent to
4 impose the tax and the resolution is approved by a majority of the electors in the
5 village voting on the resolution at a referendum, to be held at the first spring primary
6 or election or September primary or general election following by at least 45 days the
7 date of adoption of the resolution.

8 **SECTION 4. Effective date.**

9 (1) This act takes effect on the first day of the calendar quarter beginning at
10 least 120 days after publication.

11 (END)