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2009 SENATE JOINT RESOLUTION 7

February 3, 2009 – Introduced by Senators Hansen, Wirch, Lehman, Erpenbach, Lassa, Decker, Plale, Carpenter and Risser, cosponsored by Representatives Soletski, Garthwaite, Pope-Roberts, Benedict, Staskunas, Fields, Turner, Black, Berceau, Zepnick and Pocan. Referred to Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.

To amend section 1 of article VIII; and **to create** section 1 (1) (e) of article VIII of the constitution; **relating to:** providing property tax relief from school district property taxes to persons who have their principal dwelling in this state (first consideration).

Analysis by the Legislative Reference Bureau

This proposed constitutional amendment, proposed to the 2009 legislature on first consideration, excepts from the requirement of the "uniformity clause" a property tax exemption from school district property taxes that is provided to individuals who own property in this state that the individual uses as his or her principal dwelling. The exemption applies only to the first \$60,000, as adjusted by the annual change in inflation, of the property's fair market value.

The general statement of the Wisconsin Constitution that the "rule of taxation shall be uniform" is subject to other exceptions: real estate taxes may be collected in more than one way, and forests, minerals, agricultural land, undeveloped land, and certain kinds of personal property may be taxed differently than is other property.

In addition to the substantive changes, this joint resolution makes stylistic changes and breaks section 1 of the constitution into subsections to facilitate future amendments and to avoid conflicts if other amendments to the section are proposed.

A constitutional amendment requires adoption by two successive legislatures, and ratification by the people, before it can become effective.

Resolved by the senate, the assembly concurring, That:
Section 1. Section 1 of article VIII of the constitution is amended to read:
[Article VIII] Section $1 (1)$ The rule of taxation shall be uniform but the except
as follows:
(a) The legislature may empower by law authorize cities, villages, or towns to
collect and return taxes on real estate located therein by optional methods.
(b) Taxes shall be levied upon such property with such classifications as to
forests and minerals including or separate or severed from the land, as the
legislature shall prescribe. prescribes by law.
(c) Taxation of agricultural land and undeveloped land, both as defined by law,
need not be uniform with the taxation of each other nor with the taxation of other real
property.
(d) Taxation of merchants' stock-in-trade, manufacturers' materials and
finished products, and livestock need not be uniform with the taxation of real
property and other personal property, but the taxation of all such merchants'
stock-in-trade, manufacturers' materials and finished products, and livestock shall
be uniform, except that the legislature may provide by law that the value thereof
shall be determined on an average basis. Taxes may also be imposed
(2) The legislature may by law impose taxes on incomes, privileges, and
occupations, which taxes may be graduated and progressive, and reasonable
exemptions may be provided.

SECTION 2. Section 1 (1) (e) of article VIII of the constitution is created to read:

[Article VIII] Section 1 (1) (e) The legislature shall provide by law a property tax exemption from property taxes imposed by school districts for property that is used by the property owner as his or her principal dwelling. The property tax exemption shall apply only to the first \$60,000, as adjusted by the annual change in inflation, of the property's fair market value.

SECTION 3. Numbering of new provisions. (1) The new paragraph (e) of subsection (1) of section 1 of article VIII of the constitution created in this joint resolution shall be designated by the next higher open whole paragraph letter in that subsection in that section in that article if, before the ratification by the people of the amendment proposed in this joint resolution, any other ratified amendment has created a paragraph (e) of subsection (1) of section 1 of article VIII of the constitution of this state. If one or more joint resolutions create a paragraph (e) of subsection (1) of section 1 of article VIII simultaneously with the ratification by the people of the amendment proposed in this joint resolution, the paragraphs created shall be lettered and placed in a sequence so that the paragraphs created by the joint resolution having the lowest enrolled joint resolution number have the letters designated in that joint resolution and the paragraphs created by the other joint resolutions have letters that are in the same ascending order as are the letters of the enrolled joint resolutions creating the paragraphs.

Be it further resolved, That this proposed amendment be referred to the legislature to be chosen at the next general election and that it be published for 3 months previous to the time of holding such election.