

CHAPTER 79

STATE TAX SHARING

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SUBCHAPTER I

MUNICIPAL AND COUNTY SHARED TAX ACCOUNT

79.01 Account established. There is established an account in the general fund entitled the "Municipal and County Shared Tax Account", referred to in this chapter as the "shared tax account". There shall be recorded in such account all taxes and fees apportioned or appropriated thereto under ss. 20.395 (1) (qd), 70.90 (1) (d), 70.996 (1) (b), 71.14 (8), 71.18 (3), 76.24 (3), 76.38 (7), 76.48 (4), 86.35 and 139.13. Except for recording such amounts in the shared tax account, they shall be treated as all other money in the general fund until distributed pursuant to this chapter.

History: 1971 c. 125; 1973 c. 90; 1973 c. 243 s. 82; 1973 c. 283, 336; 1975 c. 39.

79.02 Preliminary distribution. (1) On the 4th Monday in July, 1975, the department of administration, upon certification by the department of revenue, shall distribute to each municipality from the shared tax account an amount equal to \$35 times its population, as defined in s. 79.07, less 16.25% thereof which shall be distributed to the county in which the municipality is located. If on June 30 there is not sufficient money in the shared tax account to make such distributions, each municipality shall share in the amount then in the shared tax account in the proportion of its population, as defined in s. 79.07, to the total population of all municipalities, after reduction in each case by 16.25% which shall be distributed to the county in which the municipality is located.

(2) (a) Beginning on the 4th Monday in July, 1976, and annually thereafter, the department of administration, upon certification by the department of revenue, shall distribute to each municipality from the shared tax account an amount equal to the lesser of .8375 of the preliminary distribution per capita factor times its population and to each county an amount equal to the lesser of .1625 of the preliminary distribution per capita factor times its population, as defined in s. 79.07. If on June 30 there is not sufficient money in the shared tax account to make such distributions, each municipality and county shall share in the amount then in the shared tax account in the proportion of the payment based on population it would receive to all the payments based on population which would be made if there were sufficient money in the shared tax account.

(b) For purposes of par. (a), the "preliminary distribution per capita factor" shall mean for the 1976 distribution \$40, and thereafter, the lesser of the product of the 1976 population of the state times \$40 divided by the population of the state in the previous year, or \$40.

History: 1971 c. 125; 1973 c. 90; 1975 c. 39.

79.03 November distribution. (1) Annually on the 3rd Monday in November, the department of administration, upon certification by the department of revenue, shall distribute to municipalities and counties all funds entered in the shared tax account as of the previous October 31, plus all taxes levied pursuant to ch. 76 against light, heat and power companies, conservation and regulation companies or pipeline companies and entered into the shared tax account as of the previous November 12, after reduction by the

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amounts necessary to make the payments under ss. 79.04, 79.05 and 79.055. The distributable share therein of each municipality and county shall consist of an amount determined on the basis of population under sub. (2), plus an amount determined under sub. (3), less the amount distributed in July of that year under s. 79.02. The distributable shares, thus determined, shall be reduced as provided in ss. 60.175 (6), 61.46 (3) (f), 62.12 (4m) (f), 65.07 (2) (f) and 70.62 (4) (f). The amounts of those reductions shall remain in the municipal and county shared tax account and shall become a part of the funds to be distributed from that account in the next distributions under this section and s. 79.02.

(2) (a) Every municipality's portion of the amount distributable under sub. (1) based on population shall, except as affected by s. 79.06 (1), equal $\frac{8375}{\text{population}}$ of the final distribution per capita factor times its population, as defined in s. 79.07, and every county's portion of the amount distributable under sub. (1) based on its population shall equal $\frac{1625}{\text{population}}$ of the final distribution per capita factor times its population, as defined in s. 79.07.

(b) For purposes of par. (a), the "final distribution per capita factor" shall mean, for the 1976 distribution \$40, and thereafter, the lesser of the product of the 1976 population of the state times \$40 divided by the population of the state in the current year, or \$40.

(3) The remaining portion of the amount distributable under sub. (1) to each municipality and county before reduction by the amount of the July distribution of that year shall be allocated on the basis of allocable interests, determined as follows:

(b) In the case of distributions for the year 1975, the differences between the computed full value rate of the municipality and one-half the state average full value rate for each of the preceding 3 years shall be averaged and, if the 3-year overall computed full value rate of the municipality is in excess of the 3-year overall one-half the state average full value rate, the resulting average shall be multiplied by the municipality's full value of all taxable property for the preceding year as equalized for state tax purposes. The allocable share of each participating municipality in the distribution under sub. (1) shall be in the same proportion as the amount determined hereunder for each municipality bears to the total amount, thus determined, of all participating municipalities.

(c) In the case of distributions for the year 1975, the resulting percentage for each municipality shall be reduced by 16.25% and the remaining percentage shall constitute its allocable interest in the amounts to be distributed

under this subsection. The percentage thus subtracted shall be attributed to the county in which the municipality is located. The allocable interest for each county shall be the total percentages attributed to it for all municipalities located in the county.

(d) Paragraphs (b) and (c) shall become void after the 1975 payments are made under this subsection.

(e) 1. Distributions for the year 1976 and thereafter shall be determined by multiplying a municipality's or county's aidable revenues by an amount determined by subtracting from the figure 1 the quotient of full valuation divided by standardized valuation. The allocable share of each municipality and county under this subsection shall be in the same proportion as the amount determined under this paragraph for each municipality and county bears to the total amount, thus determined, of all municipalities and counties.

2. In this paragraph:

a. For a municipality, "aidable revenues" means the average local purpose revenues. For a county, "aidable revenues", for 1976, means one-fourth of the average local purpose revenues. For a county, "aidable revenues", for 1977 and thereafter, means the sum of one-fourth of the average local purpose revenues, plus an amount representing the difference between the current year's average local purpose revenues and the 1976 average local purpose revenues.

b. "Average local purpose revenues" means the sum of the 3 prior years local purpose revenues divided by 3.

c. "Sum of local purpose revenues" for those municipalities and counties whose fiscal year ends in the period July 1 to December 31 means the sum of local purpose revenues for the 3 fiscal years ending 2 years prior to the year of distribution. "Sum of local purpose revenues" for municipalities and counties whose fiscal year ends in the period January 1 to June 30 means the sum of local purpose revenues for the 3 fiscal years ending one year prior to the year of distribution.

d. "Local purpose revenues" means the sum total of the following general revenues according to the definitions set forth in the handbook for local government financial reporting, June 1974, published by the department of revenue: taxes; regulation and compliance revenues, except judgments and damages; revenues for services to private parties by a county's or municipality's general operations or enterprises, except services by hospitals, nursing and rest homes, mass transit systems, urban development and housing agencies, liquor stores, cemeteries, and electric, gas and water utilities; interest and rental income; and, special assessment revenues, or in

the case of enterprises, those that are transferred to the municipality and county for general operations.

e. "Standardized valuation" means the product of \$30,000 times the population of a municipality or a county in the preceding year.

f. "Actual valuation" means the full value of all taxable property for the preceding year as equalized for state tax purposes.

3. In the case of municipalities formed after 1971 and until the 3 years of information needed for the calculations under subd. 1 exists, the new municipality and the remaining municipality from which it was formed shall be combined for the calculations under subd. 1 and the distribution to them shall be made according to the proportion that the full value of the new municipality and the municipality from which it was formed bear to each other in the first year of assessment of the new municipality.

4. Where a municipality is located in more than one county, its local purpose revenues shall be apportioned to each such county portion on the basis of general property full value.

(4) Annually beginning with the July and November 1975 distributions, the total amount to be distributed under ss. 79.02, 79.03 and 79.04 shall not be less than the total of \$278,000,000 plus the amount placed in the shared tax account under s. 70.996 (1) (b).

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39.

79.04 Public utility distribution. (1) Annually, beginning on the 3rd Monday in November 1976, the department of administration, upon certification by the department of revenue, shall distribute to a municipality having within its boundaries a production plant or a general structure, including production plants and general structures under construction, used by a light, heat or power company assessed under s. 76.07 except those described in s. 66.069 (2) or by an electric cooperative association assessed under ss. 76.07 and 76.48, respectively, the following amounts, except as affected by s. 79.06 (1) and, except that no distribution shall be made if the municipality received a distribution under sub. (3), pertaining to the same production plant or any production plant or general structure under construction:

(a) An amount determined by multiplying by 3 mills the first \$100,000,000 of the amount shown in the account, plus leased property, of each public utility on December 31 of the preceding year for either "production plant, exclusive of land" and "general structures", or "work in progress" for production plants and general structures under construction, in the case of light, heat and power companies or

electric cooperatives, for all property in accordance with the system of accounts established by the public service commission or rural electrification administration, less depreciation thereon as determined by the department of revenue. The amount distributable to a municipality in any year shall not exceed \$300 times the population of the municipality, except for the guaranteed payment under par. (b).

(b) In 1976 each municipality will be guaranteed 90% of the adjusted 1975 payment; in 1977, 80% of the 1975 payment; in 1978, 70% of the 1975 payment; in 1979, 60% of the 1975 payment; in 1980, 50% of the 1975 payment; in 1981, 40% of the 1975 payment; in 1982, 30% of the 1975 payment; in 1983, 20% of the 1975 payment; in 1984, 10% of the 1975 payment; with no guarantee thereafter.

(d) In this subsection, "average per capita full value" means the full value, as determined under s. 70.57, of all taxable property in the municipality plus the value of the utility property, including the value of electric cooperative association property, located in the municipality, as determined under ch. 76, except property of railroads, telephone and telegraph companies, conservation and regulation companies, sleeping car companies, air carriers and express companies, divided by the population of the municipality.

(2) (a) Annually, beginning November 15, 1976, the department of administration, upon certification by the department of revenue shall distribute to any county having within its boundaries a production plant or a general structure, including production plants and general structures under construction, used by a light, heat or power company assessed under s. 76.07 or by an electric cooperative association assessed under ss. 76.07 and 76.48, respectively, an amount equal to one-half of the total amount distributable that year to all of the municipalities of the county under sub. (1), but not including any additions necessary to provide the guaranteed minimums distributable to such municipalities under sub. (1) (b).

(b) In 1976 and 1977 each county which receives less under par. (a) than 50% of its payment under s. 79.04 (2) in 1975 shall receive a supplement from s. 20.835 (1) (bc) sufficient to make the combined payments of par. (a) and this paragraph equal to 50% of its payment in 1975 under s. 79.04 (2).

(3) During each of the first 4 years after commencement of construction of a production plant described in sub. (1), which the public service commission certifies to the department of revenue will produce a nominal rated capacity of 250 megawatts or more, the county shall receive a payment of \$50,000 and the municipality shall

receive a payment of \$100,000 and the county and municipality shall not be subject to the limitations of \$300 multiplied by the population of the county and \$300 multiplied by the population of the municipality. Payments received under this subsection shall be excluded in determining maximum payments under s. 79.06 (1).

(4) Beginning on October 31, 1975, and annually thereafter, there is transferred \$4,600,000 from the shared tax account to the general fund.

History: 1971 c. 125, 215; 1973 c. 90 ss. 387, 391g; 1973 c. 243 s. 82; 1975 c. 39, 224

79.05 Distribution to increase real property tax credits. (1) On the dates specified, the amounts set forth in sub. (2) shall be paid from the shared tax account by the department of administration for the purposes of providing real property tax credits under s. 79.10. If there is insufficient money in the shared tax account to make these distributions, the balance shall be supplied from the general fund under s. 20.835 (1) (a).

(2) On March 1, 1972, \$28,600,000; on March 1, 1973, \$79,900,000; on the first Monday in March, 1974, \$85,400,000; on the first Monday in March, 1975, \$105,400,000; on the first Monday in March, 1976, \$135,400,000; and annually, beginning the first Monday in March, 1977, \$165,400,000.

History: 1971 c. 125, 215, 228; 1973 c. 90

79.055 Distribution to counties and municipalities. Beginning April 20, 1975, and annually thereafter, there shall be paid from the shared tax account an amount necessary for making payments under s. 70.996. Prior to April 1 of each year, the department of revenue shall estimate the amount of shared tax supplement which will be required under s. 20.835 (1) (aa). The amount so estimated shall be transferred from the general fund to the shared tax account prior to the April 20 distribution. Errors in the estimate shall be corrected with the November certification under s. 79.03 (1). The amount of any overestimate shall be returned to the general fund. If there is insufficient money in the shared tax account to make the April 20 distribution, the balance shall be supplied from the general fund under s. 20.835 (1) (a).

History: 1973 c. 90, 333

79.06 Maximum, minimum and residual payments. (1) **MAXIMUM PAYMENTS.** Beginning in 1976, no municipality or county may receive combined payments under ss. 79.02, 79.03 and 79.04 in excess of 109% of the payment received under ss. 79.02, 79.03, 79.04 and 79.06 the previous year. The amounts that

are withheld from distribution because of the 109% limitation shall be distributed according to subs. (2) and (3). Payments made under s. 79.04 (3) shall be excluded from calculations made under this subsection.

(2) **MINIMUM PAYMENTS.** (a) If the 1976 combined payments under ss. 79.02, 79.03 and 79.04 are less than the 1975 payment under ss. 79.02, 79.03, 79.04 and 79.06, each such municipality and county shall receive an amount from the distribution under sub. (1) according to the proportion that such decrease in payments to each such municipality and county bears to the total of such decrease in payments, but such amount shall not exceed 100% of such decrease in payments. If the combined payments under ss. 79.02 and 79.03 in 1977 or 1978 are less than the combined payments under ss. 79.02, 79.03 and 79.06 in 1975 each such municipality and county shall receive an amount from the distribution under sub. (1) according to the proportion that such decrease in payments to each such municipality and county bears to the total of such decrease in payments, but such amount shall not exceed 100% of such decrease in payments. If a new incorporation has taken place which first affects the 1976 distribution or any year thereafter the minimum payment to the town from which the new municipality was formed and to the new municipality shall be computed by dividing the 1975 payment between the new municipality and the municipality from which it was formed according to the proportion that the full value of the new municipality and the municipality from which it was formed bear to each other in the first year of assessment of the new municipality. Any portion of the amounts available under sub. (1) but not distributed because of the 100% limitation in this subsection shall be distributed under sub. (3).

(b) If the combined payments to any municipality under ss. 79.02, 79.03, 79.04 and 79.06 (2) (a) in 1976 are less than the combined payments under ss. 79.02, 79.03, 79.04 and 79.06 in 1975, each such municipality shall receive a payment from the moneys appropriated under s. 20.835 (1) (bb) equal to its proportion of the total of such decreases in payments made to municipalities, except that such payment shall not exceed 100% of such decrease. If the combined payments to any municipality under ss. 79.02, 79.03 and 79.06 (2) (a) in 1977 are less than the combined payments under ss. 79.02, 79.03 and 79.06 in 1975, each such municipality shall receive a payment from the moneys appropriated under s. 20.835 (1) (bb) equal to its proportion of such decreases in payments made to municipalities, except that such payment shall not exceed 100% of such decrease. If a new municipality has been formed

which first affects the 1976 or 1977 distribution the minimum payment to the town from which the new municipality was formed and to the new municipality shall be computed by dividing the 1975 payment between the new municipality and the municipality from which it was formed according to the proportion that the full value of the new municipality and the municipality from which it was formed bear to each other in the first year of assessment of the new municipality.

(3) **RESIDUAL PAYMENTS.** If all the funds available under sub. (1) are not distributed according to sub. (2) the remaining funds shall be distributed to all municipalities and counties according to their proportion of all the payments calculated under s. 79.03 for the current year prior to any limitation of such payment affected by sub. (1).

(4) **DISTRIBUTION DELAY.** The distribution of shared taxes delayed by chapter 158, laws of 1973, during 1975 or thereafter shall not be included in any calculations made under this section.

(5) **VOID.** This section shall be void after the 1978 distribution.

History: 1971 c. 125, 215; 1973 c. 90; 1975 c. 39.

79.065 Maximum, minimum and residual payments; corrections. With respect to the November 1973 distribution under s. 79.06 or any distribution under that section thereafter, any overpayment or underpayment made in any certification by the department of revenue or resulting from populations changed as a result of a final court determination or special census conducted in accordance with s. 16.96 (2) (dm) or in the distribution by the department of administration shall be corrected. Corrections shall be made as provided in this section if the department of administration or the department of revenue has determined within 3 years after the distribution that there was an overpayment or underpayment. Upon certification by the department of revenue any overpayment shall be corrected by reducing a subsequent payment under s. 79.02, 79.03 or 79.04 by the amount of the overpayment. Upon certification by the department of revenue, any underpayment shall be corrected by the department of administration in a subsequent distribution under s. 79.02, 79.03, 79.04 or 79.06. Such corrections shall be without interest.

History: 1973 c. 158, 333; 1975 c. 39.

79.07 Definitions. In this subchapter:

(1) "Municipality" means any town, village or city in this state. Where a municipality is located in more than one county, the portion thereof in each county shall be considered a separate municipality.

(2) "Population" means the number of persons residing in each municipality and county of the state as last determined by the department of administration under s. 16.96.

(3) "Production plant" also includes substations.

History: 1971 c. 125, 215; 1975 c. 39.

79.08 Other distributions; corrections.

With respect to the July 1973 distribution under s. 79.02 or any distribution thereafter under that section or with respect to the November 1973 distributions under s. 79.03 or 79.04 or any distribution under either such section thereafter, any underpayment or overpayment made in any certification by the department of revenue or resulting from populations changed as a result of a final court determination or special census conducted in accordance with s. 16.96 (2) (dm) or in the distribution by the department of administration shall be corrected by the department of administration upon certification by the department of revenue, and appropriate adjustments to reduce or increase subsequent distributions to municipalities or counties under those sections shall be made to correct for any such underpayment or overpayment. Such corrections shall be made if the department of administration or the department of revenue determines within 3 years after the distribution that there was an overpayment or an underpayment. Such corrections shall be without interest. When the department of revenue determines that delay in correcting for any underpayment in distributions under s. 79.02, 79.03 or 79.04 will withhold 10% or more of the funds due to the municipality or county in that payment, it shall upon the request of the municipality or county, without delay, certify to the department of administration for payment the amount which will correct the error. Within 10 days thereafter, the department of administration shall pay from the then existing balance in the "Municipal and County Shared Tax Account", to any such municipality or county the amount so certified. In the absence of such an advance payment, corrections shall be made as adjustments at the time of the distributions provided in ss. 79.02, 79.03 and 79.04.

History: 1973 c. 158, 333.

79.09 Administration. Counties and municipalities shall submit the information required under this subchapter by the department of revenue on forms prescribed by the department. Annually, each county and municipality shall contract with the department of revenue pursuant to s. 73.10 or a certified public accountant licensed under ch. 442 to compile and

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submit to the department the information required.

History: 1975, c. 39.

SUBCHAPTER II**PROPERTY TAX CREDITS**

79.10 Real property and public utility tax credits. (1) **DISTRIBUTION.** On March 1, 1973, the amount appropriated under s. 20.835 (2) (a) shall be distributed by the department of administration to towns, villages and cities in allocable shares pursuant to sub. (2), and taxpayers subject to tax under ss. 76.13, 76.38 and 76.48 in allocable shares certified by the department of revenue pursuant to sub. (1a) (b). In addition, commencing with March 1, 1972, and ending March 1, 1973, the amount stated in s. 79.05 shall be distributed on each March 1 by the department of administration to towns, villages and cities in allocable shares pursuant to sub. (2). On the first Monday in March of each year, commencing in March 1974, the amount appropriated under s. 20.835 (2) (a) and the amount stated in s. 79.05 shall be distributed by the department of administration to towns, villages and cities in allocable shares pursuant to sub. (2), and to taxpayers subject to taxation under ss. 76.13, 76.38 and 76.48, in allocable shares pursuant to sub. (1a), all as certified by the department of revenue.

(1a) UTILITY CREDITS. (a) The department of revenue shall determine the amount of the property tax credit allowable to each taxpayer which is subject to levy of taxes and license fees under ss. 76.13, 76.38 and 76.48. The aggregate of such credit shall be that proportion of the total property tax credit computed in the following manner. The numerator of the fraction shall be the average of the sum of the next 3 preceding year tax payments made pursuant to ss. 76.13, 76.38 and 76.48. The denominator of the fraction shall be the average of the sum of the next 3 preceding year total general property taxes levied (including state, county, local and school taxes) plus special assessments, plus occupational taxes, plus forest crop taxes, plus woodland taxes, plus the taxes paid pursuant to ss. 76.13, 76.38 and 76.48 reduced by the levy on all property entitled to the credit under s. 79.12, 1973 stats. or s. 79.17 of all tax districts.

(b) That portion of the amount distributable under sub. (1) to grant property tax relief as set forth in par. (a) to taxpayers that paid taxes and license fees levied pursuant to ss. 76.13, 76.38 and 76.48 shall be paid to such taxpayers on the first Monday in March of each year. The department of revenue shall certify a refund roll to the department of administration which

department shall remit directly to the taxpayers. In the case of light, heat and power companies, conservation and regulation companies, and pipeline companies, the credit shall be applied against the payment due under s. 76.13 (2) on November 10 of the preceding year, except for the year 1976 and thereafter, and, in the case of all other companies upon which taxes are levied under s. 76.13 (1), the credit shall be paid directly to them on November 10 of the preceding year, commencing with credits otherwise payable on March 1, 1973, and on the first Monday in March in succeeding years.

(c) With respect to taxpayers that paid license fees levied pursuant to ss. 76.38 and 76.48 par. (b) shall not apply to property tax credit payment made to such taxpayers on the first Monday in March, 1976. Property tax credit earned by telephone companies and cooperative associations with respect to the May 1, 1976, and June 1, 1976, license fee assessments respectively and each May 1, or June 1 thereafter shall be credited to the license fee assessment of the subsequent year. With respect to taxpayers that paid taxes pursuant to s. 76.13 par. (b) shall not apply to the property tax credit payment made or credited on November 10, 1975. Property tax credits earned by taxpayers subject to s. 76.13 with respect to June 15, or August 15, 1976, assessments as the case may be and each June 15 or August 15 thereafter shall be credited to the November 10 payment provided by s. 76.13 (2a). The department of revenue shall certify a refund roll to the department of administration for all taxpayers that paid taxes and license fees pursuant to ss. 76.13, 76.38 and 76.48.

(1b) UTILITY CREDITS. Each taxpayer required to make semiannual instalments under ss. 76.13 (2a), 76.38 (3a) and 76.48 (3a) shall for each year take into account the property tax credits provided in this section so as to reduce each instalment by a pro rata share of the property tax credit allowable for such year.

(2) ALLOCATION. Participation in the 1973 allocation under sub. (1) shall be limited to municipalities having an average computed full value rate in excess of 17 mills. The excess of the average computed full value rate over 17 mills of each participating municipality in 1973 shall be multiplied by the municipality's full value of all taxable property except personal property entitled to tax credit under s. 79.12 for the preceding year, as equalized for state tax purposes. In the case of allocations for the year 1974 and thereafter, the differences between the computed full value rate of the municipality and one-half the state average full value rate for each of the preceding 3 years shall be averaged and, if the 3-year overall computed full value rate of the municipality is in excess of the 3-year overall

one-half the state average full value rate, the resulting average shall be multiplied by the municipality's full value of all taxable property except personal property entitled to tax credit under s. 79.12, 1973 stats. or s. 79.17 for the preceding year as equalized for state tax purposes. The allocable share of each participating municipality in the distribution under sub. (1) shall be in the same proportion as the amount determined hereunder for each municipality bears to the total amount, thus determined, of all participating municipalities.

(3) TAX CREDIT. On or before December 1 of the year preceding the distribution under sub. (1) in March of each year, the department of revenue shall notify the clerk of each town, village and city of the amount to be distributed to it under sub. (1) on the following first Monday in March. The anticipated receipt of such distribution shall not be taken into consideration in determining the tax rate of the municipality but shall be applied as tax credits, as follows:

(a) The amount of the local assessed value of all assessed property of the municipality shall be reduced by the portion thereof which constitutes assessed value of personal property entitled to tax credit under s. 79.12, 1973 stats. or s. 79.17.

(b) Every property taxpayer of the municipality having assessed property, other than personal property entitled to tax credit under s. 79.12, 1973 stats. or s. 79.17, shall receive a tax credit in an amount determined by applying the percentage of the amount of the value of property, other than personal property entitled to tax credit under s. 79.12, 1973 stats. or s. 79.17, assessed to the taxpayer in the amount determined under par. (a) to the amount of the distribution to be made to the municipality under sub. (1), as stated in the December 1 notification from the department of revenue.

(c) The amount of the tax credit of particular property taxpayers, as determined under par. (b), shall be set forth on the tax bills of such taxpayers issued immediately following the December 1 notification referred to in this subsection and shall serve to reduce the property taxes otherwise payable.

(4) DEFINITIONS. (a) "Computed full value rate" means the sum total of all general property taxes (including state, county, local and school taxes), the total amount of all special assessments made, assessed or levied for the year irrespective of the manner or time of collection, sewer service charges, occupational taxes, forest crop taxes and woodlands taxes levied and extended by a town, village or city, as reported to the department of revenue in its abstract of assessments and taxes, divided by the full value of all taxable property in such municipality as equalized for state purposes pursuant to s. 70.57,

and the quotient expressed in mills per dollar of valuation.

(b) "Average computed full value rate of a municipality" means the average of the computed full value rate of the 3 years preceding the assessment year to which the tax credit is to apply.

(c) "Municipality" means any town, village or city in this state. Where a municipality is located in more than one county the portion thereof in each county shall be considered a separate municipality.

History: 1971 c. 125 ss. 412, 521; 1973 c. 90; 1975 c. 39, 199.

79.11 Payment of tax credits. (1) The extension of the tax credits authorized by s. 79.10 on the tax roll shall be deemed payment of that portion of the total tax due on property to which such credits are applicable.

(2) The payment of the difference between the total tax which is due on any property less the amount of the tax credits applicable to such property authorized by this subchapter shall be considered payment in full of the property taxes due thereon in that year.

(3) In those cities, villages and towns where the payment of property taxes is authorized to be made in instalments, such instalment payments shall be based on the net amount of taxes due after the tax credits authorized by this subchapter have been applied.

History: 1971 c. 125 s. 411.

79.17 Personal property tax credits. (1) Annually commencing on the 3rd Monday in February, 1977, the department of administration shall remit to the treasurer of each taxation district from the appropriation made under s. 20.835 (2) (b) an amount as certified to the department of administration by the department of revenue under sub. (2).

(2) In the case of allocation for the year 1977 and thereafter, the computed full value rate of the municipality for each of the preceding 3 years shall be averaged and the resulting average shall be multiplied by the municipality's full value of taxable merchants' stock-in-trade, manufacturers' materials and finished products, and livestock for the preceding year as equalized for state tax purposes. In 1977, the allocable share of each participating municipality in the distribution under sub. (1) shall be the amount determined in this subsection for each municipality multiplied by the lesser of .8 or the factor resulting when the total amount, thus determined, is divided into 107% of the total actual distribution made in the prior year under s. 79.12, 1973 stats., as affected by chapter 39, laws of 1975. In 1978 and thereafter the

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allocable share of each participating municipality shall be the amount determined in this subsection for each municipality multiplied by the lesser of .8 or the factor resulting when the total amount, thus determined, is divided into 107% of the total actual distribution made in the prior year under this section.

(3) (a) On or before December 1 of the year preceding the distribution under sub. (1) in February of each year, the department of revenue shall notify the clerk of each town, village and city of the amount to be distributed to it under sub. (1) on the following 3rd Monday in February. The anticipated receipt of such distribution shall not be taken into consideration in determining the tax rate of the municipality but shall be applied as tax credits under par. (b).

(b) Every general property taxpayer of the municipality having general property, other than property entitled to tax credit under s. 79.10, shall receive a tax credit in an amount determined by applying a factor to the taxpayer's taxes, such factor resulting when general property taxes on property, other than property entitled to credit under s. 79.10, is divided into the amount of the distribution to be made to the municipality under sub. (1), as stated in the December 1 notification from the department of revenue.

(4) The amount of the tax credit of particular property taxpayers, as determined under sub. (3) (b), shall be set forth on the tax bills of such taxpayers issued immediately following the December 1 notification referred to in sub. (3) (a) and shall serve to reduce the property taxes otherwise payable.

(5) Any taxpayer who intentionally renders a false or fraudulent report to the local assessor on the number or grade of livestock in the taxpayer's possession on May 1, or who intentionally overstates the value of the merchants' stock-in-trade, or manufacturers' materials and finished products in the taxpayer's possession on May 1, may be fined not to exceed \$5,000 or imprisoned not to exceed one year, or both, with the cost of prosecution. Any local assessor or other officer of the tax district aiding or abetting a taxpayer in the filing of a false or fraudulent report may be fined not to exceed \$500 or imprisoned not to exceed 6 months, or both, with the cost of prosecution.

History: 1975 c. 39, 199, 224

79.175 Personal property tax credit corrections. (1) When a taxation district has received an overpayment of tax credit under s. 79.17, either before or after July 31, 1975, the excess shall be a direct claim by the state against the taxation district and if not paid on demand it shall be certified as a special charge in the next

following department of administration's apportionment of state taxes and charges.

(2) When a taxpayer has received an excess credit under either s. 79.10 or 79.17, or both, the taxation district shall collect the excess from the taxpayer who received it. The excess shall be a direct claim by the taxation district and if not paid on demand may be collected in an action for debt by the taxation district or it may deduct such excess from the credits to which such taxpayer would otherwise be entitled in the next tax roll. The clerk shall add such excess to the tax credit certified by the department on the next December 1 and distribute the total according to s. 79.10 (3) (b) if the excess occurred under s. 79.10, or 79.17 (3) (b) if excess occurred under s. 79.17.

History: 1975 c. 39

79.18 Underpayment of credits. If the credit under s. 79.10 or 79.17 was understated the treasurer shall pay such taxpayer the amount of the understatement if the tax has been paid in full. If the tax has not been paid in full the clerk shall issue an order check to the treasurer then in possession of the tax roll who shall apply such amount as payment on the taxes due. The next December 1 certification under s. 79.10 (3) or 79.17 (3) shall be reduced by the clerk for such payments or credits and the balance then remaining shall be distributed in accordance with s. 79.10 (3) (b) if the underpayment occurred under s. 79.10 or 79.17 (3) (b) if the underpayment occurred under s. 79.17.

History: 1975 c. 39

79.185 Omitted property. Property entitled to credit under s. 79.10 or 79.17 but omitted from the assessment roll shall be taxed according to s. 70.44 at the rate prevailing in the year of omission but shall receive the same state credit as other like property receives in the year in which it is placed on the tax roll.

History: 1975 c. 39

79.19 Correcting allocation errors. Errors made in allocating the amounts specified in ss. 79.10 (1) and 79.17 (1), for purposes of separate distributions under ss. 79.10 (1a) and (2) and 79.17 (2), shall be corrected by the department of revenue in the allocation in the earliest year possible of the next succeeding 4 years. Such correction shall be made by reducing or increasing, as the case may be, the amount of the distribution under s. 79.10 (1a) in the correcting allocation, by the amount of the erroneous under or overallocation under s. 79.10 (1a) in the year of error, and reducing or increasing in like amount the amount of the distribution under s. 79.10 (2) if the error

occurred in s. 79.10 or 79.17 (2) if the error occurred in s. 79.12 in the year the correction is made.

History: 1975 c 39

SUBCHAPTER III

STATE AID FOR LOCAL LAW ENFORCEMENT COSTS

79.20 General provisions. In this subchapter:

(1) Aidable local law enforcement costs, referred to in this subchapter as "aidable costs", are total expenditures by municipalities for police purposes or by counties for sheriff and traffic patrol purposes including, but not limited to, salaries, wages, fringe benefits, equipment, general operating costs, including school crossing guards unless paid by the school, water patrol and traffic patrol regardless of whether such traffic patrol is part of the sheriff's office; but not including capital improvements, the repayment of debt for capital improvements, traffic signs and devices or the costs of weapons; minus the aid received from ss. 20.370 (3) (wf) and 20.455 (3) (b), aid received for training law enforcement officers as defined in s. 165.85 (4) (b) and other aids specifically designated for police purposes but not minus the aid received under this subchapter.

(2) "Crimes" are the number of "index crimes" as last reported by the department of justice's report of crimes and arrests not including the number of thefts of less than \$50.

(3) "Equalized valuation" means the value of taxable property in a jurisdiction as certified by the department of revenue for the calendar year preceding the year the aidable costs occur.

(4) "Guaranteed tax base" means a per capita amount which is used for calculating aids under s. 79.21 (1). For the 1974 payment, this amount is \$8,250. Annually thereafter, the secretary of revenue shall establish an amount for the guaranteed tax base so that the aids calculated under s. 79.21 (1) constitute the same average per cent of aidable costs which are in excess of one mill times equalized valuation as they constitute in 1974.

(5) Municipality's or county's guaranteed tax base is the amount in sub. (4) multiplied by the population of the municipality or county.

(6) "Multiplication factor" means an amount inserted in the formula for computing aids under s. 79.21 (2). For the 1974 payment this amount shall be \$30,000,000. Annually thereafter, the secretary of revenue shall establish an amount for this factor so that aids computed under s. 79.21 (2) will constitute the same average per cent of aidable costs which are

in excess of one mill times equalized valuation in the units of government eligible to receive aid under s. 79.21 (2) as they constitute in 1974.

(8) Jurisdictions eligible under s. 79.21 (1) are counties or municipalities for which an amount of aid greater than zero is calculated according to s. 79.21 (1). Jurisdictions eligible under s. 79.21 (2) are counties or municipalities for which an amount of aid greater than zero is calculated according to s. 79.21 (2).

(9) "Population" means the number of persons residing in each municipality and county of the state as determined by the department of administration under s. 16.96.

History: 1973 c. 90, 243; 1973 c. 333 ss. 155, 201w; 1975 c. 39 s. 734.

79.21 Formula for aid. Financial aid shall be paid to certain municipalities and counties according to sub. (1) or (2), whichever provides the greater amount. Payments shall be made on June 1 annually beginning in 1974. Funds appropriated under s. 20.855 (2) (c) for the purposes of this subchapter shall be awarded on a pro rata basis in 1974-75 if approved aid amounts exceed the biennial appropriation ceiling.

(1) The state shall pay aid to selected municipalities and counties which have aidable costs in excess of an amount equal to one mill on the equalized valuation of that municipality or county. The state shall pay an amount determined by dividing aidable costs, minus one mill on the equalized valuation of the municipality or county, by the municipality's or county's guaranteed tax base and multiplying the quotient so derived by the amount by which the municipality's or county's guaranteed tax base exceeds the equalized valuation of the municipality or county. Applications shall be on forms prescribed by the department of revenue and shall be received by May 1. All municipalities and counties in the state shall submit applications under this subsection. Aid to any applicant applying late shall be reduced by 3% for every day the application is late.

(2) The state shall pay aid to certain municipalities and counties for which the department of justice publishes crimes. Aid shall be determined by the department of revenue by dividing the number of crimes in each municipality and county for the last 3 years by the total number of crimes in the state for the last 3 years and multiplying the resulting quotient by the multiplication factor and subtracting from the product so determined an amount equal to one mill on the equalized valuation of the municipality or county. For a municipality or county to be eligible to receive aid under this subsection the

municipality or county must submit an application under sub. (1).

(3) No applications under this section may be made after May 1, 1975.

(4) No aids may be paid under this section after the 1975 payment except for making corrections of underpayments made in the 1974 and 1975 distributions.

History: 1973 c. 90; 1975 c. 39

79.22 Use of funds and state review. (1)

Aid received under this subchapter may be expended for any local law enforcement purpose except they may not be expended for any purpose or item which is not aidable under s. 79.20 (1).

(2) Each municipality and county must maintain accounting records and procedures adequate to reflect use of funds and to establish that such funds have not been used in violation of sub. (1).

(3) Beginning in 1975, each claim for funds under this subchapter must be accompanied by a use of funds report for such funds received in the preceding year. Claims for funds and use of funds reports are subject to site audits by the

department of revenue without cost to the local unit of government. If the amount of costs claimed is found to be overstated, the next payment shall deduct an amount equal to the state aid received because of the overstated costs. If funds have been allocated in violation of sub. (1), the next payment shall deduct an amount equal to the amount spent in violation of sub. (1), or such funds shall be deducted from subsequent payments under subch. I of ch. 79.

History: 1973 c. 90; 1975 c. 39

79.23 Nondiscrimination. In order to receive funds under this subchapter the recipient municipality or county must agree not to discriminate as defined in subch. II of ch. 111 against any employe or any applicant for employment in the police or sheriff service. State aids under this subchapter shall be terminated for any municipality or county if there is a final determination by a state or federal agency or by a state or federal court that the municipality or county or its police or sheriff department is discriminating in police or sheriff employment.

History: 1973 c. 90