

## Clearinghouse Rule 13-035

### PROPOSED ORDER OF THE DEPARTMENT OF REVENUE AMENDING RULES

The Wisconsin Department of Revenue proposes an order to: **amend** Tax 16.04 (2), 16.06 (4) (Note 1), and 19.03 (1) (c) (intro.); **relating to** local financial reporting and expenditure restraint payments.

The scope statement for this rule, SS 007-13, was approved by the Governor on January 17, 2013, published in Register No. 686 on February 14, 2013, and approved by the Secretary of Revenue on February 25, 2013.

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#### *Analysis by the Department of Revenue*

**Statute interpreted:** s. 73.10, Stats.

**Statutory authority:** s. 73.10 (2) (b) 1., Stats.

**Explanation of agency authority:** Section 73.10 (2) (b) 1., Stats., provides that "[t]he department may require by rule all of the following:

- a. That the information it needs under par. (a) be submitted as annual financial statements, notes to the financial statements, and supporting schedules.
- b. That the statements, notes, and schedules under subd. 1.a. conform to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board or its successor bodies.
- c. That the statements, notes, and schedules under subd. 1.a. be audited in accordance with generally accepted auditing standards."

**Related statute or rule:** There are no other applicable statutes or rules.

**Plain language analysis:** The proposed rule makes the following changes:

- Amends ss. Tax 16.04 (2) and 16.06 (4) to reflect current reporting requirements and address information.
- Revises s. Tax 19.03 (1) (c) to correct a typographical error.

**Summary of, and comparison with, existing or proposed federal regulation:** There is no existing or proposed federal regulation that is intended to address the activities to be regulated by the rule.

**Comparison with rules in adjacent states:** The department is not aware of a similar rule in an adjacent state.

**Summary of factual data and analytical methodologies:** 2012 Executive Order 61 and 2011 Wisconsin Act 46 requires state agencies to work with the Small Business Regulatory Review Committee to review the agency's administrative rules that may be particularly onerous to small businesses in Wisconsin. In response, the department initiated a comprehensive review

of all of its administrative rules. The changes described above were identified as part of that review. No other data was used in the preparation of this rule order or this analysis.

**Analysis and supporting documents used to determine effect on small business:**

This rule order makes changes to reflect current law and current department policy. It makes no policy or other changes having an effect on small business.

**Anticipated costs incurred by private sector:** This rule order does not have a fiscal effect on the private sector.

**Effect on small business:** This rule order does not affect small business.

**Agency contact person:** Please contact Dale Kleven at (608) 266-8253 or dale.kleven@revenue.wi.gov, if you have any questions regarding this rule order.

**Place where comments are to be submitted and deadline for submission:**

Comments may be submitted to the contact person shown below no later than the date on which the public hearing on this proposed rule order is conducted. Information as to the place, date, and time of the public hearing will be published in the Wisconsin Administrative Register.

Dale Kleven  
Department of Revenue  
Mail Stop 6-40  
2135 Rimrock Road  
P.O. Box 8933  
Madison, WI 53708-8933

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**SECTION 1.** Tax 16.04 (2) is amended to read:

Tax 16.04 (2) The required schedules shall be prepared on the forms provided by the department and in accordance with instructions issued by the department. ~~Local governments may elect to submit the required schedules on their own forms so long as those forms meet the specifications established by the department. Local governments electing to submit their own forms shall submit an example of their forms for review and approval by the department prior to December 31 of the year for which the schedules are to be prepared.~~

**SECTION 2.** Tax 16.06 (4) (Note 1) is amended to read:

Tax 16.06 (4) (Note 1) Copies of the draft schedules required by s. Tax 16.04 (1) and ~~the specifications referenced in s. Tax 16.04 (2)~~ may be obtained from:

Wisconsin Department of Revenue  
Division of State/Local Finance  
~~125 South Webster Street~~  
P.O. Box ~~8933~~ 8971  
Madison, WI 53708-~~8971~~

Telephone (608) ~~266-1611~~ 264-6892

These schedules are new forms that substitute for the current annual financial report form filed by governmental units with the department of revenue.

**SECTION 3.** Tax 19.03 (1) (c) (intro.) is amended to read:

Tax 19.03 (1) (c) (intro.) "Municipal operating budget increase" means an amount, expressed as a percentage and rounded to\_2 places beyond the decimal, which results from dividing:

**SECTION 4.** Effective date. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22 (2) (intro.), Stats.

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### Initial Regulatory Flexibility Analysis

This rule order does not affect small businesses.

DEPARTMENT OF REVENUE

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Richard G. Chandler  
Secretary of Revenue

E:Rules/SBRRB (SLF 16) Proposed Order (v2)