

## Clearinghouse Rule 13-102

### PROPOSED ORDER OF THE DEPARTMENT OF REVENUE REPEALING AND RECREATING RULES

The Wisconsin Department of Revenue proposes an order to: **repeal and recreate** Tax 18.05 (1) (d) and (e); **relating to** assessment of agricultural property.

The scope statement for this rule, SS 084-13, was approved by the Governor on July 15, 2013, published in Register No. 691 on July 31, 2013, and approved by the Secretary of Revenue on August 12, 2013.

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

**Statutes interpreted:** s. 70.32 (2) (c) 1i., Stats.

**Statutory authority:** s. 70.32 (2) (c) 1i., Stats.

**Explanation of agency authority:** Section 70.32 (2) (c) 1i. Stats., provides that agricultural use "means agricultural use as defined by the department of revenue by rule..."

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

**Plain language analysis:** The proposed rule revises s. Tax 18.05 (1) to provide further clarity regarding what land in federal and state pollution control and soil erosion programs should be classified as agricultural property that qualifies for use-value assessment.

**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:** Section Tax 18.05 (1) currently defines what land in specific federal and state pollution control and soil erosion programs qualifies for agricultural use. This listing has not been updated since 2000.

The proposed rule will address changes in the listed programs that have occurred since the rule was enacted and will also identify general criteria for determining what land that is in federal and state pollution control and soil erosion programs qualifies for agricultural use under the subchapter. This will provide consistency and clear standards for property owners and assessors.

**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:** Complying with the proposed rule will 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.

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**SECTION 1.** Tax 18.05 (1) (d) and (e) are repealed and recreated to read:

Tax 18.05 (1) (d) Commencing with the January 1, 2015 assessment, land without improvements subject to a temporary federal or state easement or enrolled in a temporary federal or state program if that land was in agricultural use under par. (a), (b), or (c) when it was entered into the easement or program, and that the terms of the easement or program do not restrict the return of the land to agricultural use under par. (a), (b), or (c) after the easement or program is satisfactorily completed. Qualifying easements and programs shall adhere to standards and practices provided under the July 2011 No. 667 version of s. ATCP 50.04, 50.06, 50.72, 50.83, 50.88, or 50.98. The Wisconsin Property Assessment Manual, authorized under s. 73.03 (2a), Stats., shall list the qualifying easements and programs according to the ATCP provisions.

(e) Commencing with the January 1, 2015 assessment, land without improvements subject to a permanent federal or state easement or enrolled in a permanent federal or state program if that land was in agricultural use under par. (a), (b), or (c) when it was entered into the easement or program. Qualifying easements and programs shall adhere to standards and practices provided under the July 2011 No. 667 version of s. ATCP 50.04, 50.06, 50.72, 50.83, 50.88, or 50.98. The Wisconsin Property Assessment Manual, authorized under s. 73.03 (2a), Stats., shall list the qualifying easements and programs according to the ATCP provisions.

**SECTION 2.** 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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DEPARTMENT OF REVENUE

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

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

E:Rules/1805 Proposed Order