



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1695/P2
KP:klm&wlj

DOA:.....Martin, BB0401 - Locally assessed pipelines

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

SHARED REVENUE

Aid to taxing jurisdictions for pipelines assessed by the state

Beginning in 2027, the bill requires the state to pay each taxing jurisdiction an amount equal to the property taxes levied on the pipeline property of a pipeline company for the property tax assessments as of January 1, 2024. Generally under current law, the property of a pipeline company is subject to the public utilities tax, and property that is subject to the public utilities tax is exempt from local property taxation.

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Revenue limits; personal property tax repeal aid

Current law generally limits the total amount of revenue per pupil a school district may receive from state aid and property taxes in a school year. For this purpose, current law defines “state aid” as general school aid, computer aid, and exempt personal property aid. The bill adds personal property tax repeal aid to the definition of “state aid.”

Additionally under current law, no technical college district board may increase its revenue by a percentage that exceeds the technical college district’s valuation factor. For this purpose, current law defines “revenue” as the sum of the tax levy, property tax relief, and certain personal property tax payments received. The bill adds personal property tax repeal aid to the definition of “revenue.”

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:

SECTION 1. 20.835 (1) (d) of the statutes is created to read:

BILL**SECTION 1**

20.835 (1) (d) *State aid, state assessed pipelines.* A sum sufficient to make payments as provided under s. 79.098.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 2. 38.16 (3) (a) 2w. of the statutes is amended to read:

38.16 (3) (a) 2w. "Revenue" means the sum of the tax levy, property tax relief aid under subs. (4) and (5), and payments received under ~~s. ss. 79.096, 79.0965, and 79.098~~, not including a payment received under s. 79.096 (3), ~~79.0965 (3), or 79.098 (3)~~ for a tax incremental district that has been terminated.

****NOTE: This is reconciled s. 38.16 (3) (a) 2w. This SECTION has been affected by drafts with the following LRB numbers: -1187/P1 and -1695/P1

SECTION 3. 66.0602 (2) (b) of the statutes is amended to read:

66.0602 (2) (b) For purposes of par. (a), in 2018, and in each year thereafter, the base amount to which the limit under this section applies is the actual levy for the immediately preceding year, plus the amount of the payments under ss. ~~79.07, 79.096 and, 79.0965, and 79.098~~, and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payments under ss. ~~79.07, 79.096 and, 79.0965, and 79.098~~, except that the adjustments for payments received under s. 79.096 ~~or, 79.0965, or 79.098~~ do not apply to payments received under s. 79.096 (3) ~~or, 79.0965 (3), or 79.098 (3)~~ for a tax incremental district that has been terminated.

****NOTE: This is reconciled s. 66.0602 (2) (b). This SECTION has been affected by drafts with the following LRB numbers: -1695/P1 and -1791/P2.

SECTION 4. 79.098 of the statutes is created to read:

79.098 State aid; state assessed pipelines. (1) Beginning in 2027, and in each year thereafter, the department of administration shall pay to each taxing jurisdiction, as defined in s. 79.095 (1) (c), an amount equal to the property taxes

BILL**SECTION 4**

levied on the pipeline property of a pipeline company, as defined in s. 76.02 (5), for the property tax assessments as of January 1, 2024.

(2) (a) Each municipality shall report to the department of revenue, in the time and manner determined by the department, the amount of the property taxes levied on the pipeline property of a pipeline company, as defined in s. 76.02 (5), for the property tax assessments as of January 1, 2024, on behalf of the municipality and on behalf of other taxing jurisdictions.

(b) Each taxing jurisdiction shall report to the department of revenue, in the time and manner determined by the department, any information the department considers necessary to administer this section.

(c) If a municipality does not timely electronically file the report required by the department of revenue under par. (a), the following reductions will be made to the municipality's pipeline property aid distributed under sub. (1) in 2027:

1. Reduction of the aid by 25 percent, if not filed by June 30, 2026.
2. Forfeiture of the aid, if not filed by July 15, 2026.

(d) If a municipality does not electronically file the report required by the department of revenue under par. (a) by July 15, 2026, the department may use the best information available to calculate the aid to distribute under sub. (1) in 2027 to the applicable taxing jurisdictions.

(3) Each taxing jurisdiction shall attribute to each tax incremental district within the taxing jurisdiction the district's proportionate share of the amount the taxing jurisdiction receives under sub. (1). The amount that would have been paid to a tax incremental district under this subsection shall be distributed to the

BILL**SECTION 4**

municipality and applicable taxing jurisdictions in the year following the termination of the tax incremental district and in each year thereafter.

(4) The department of revenue shall certify the amount of the payment due each taxing jurisdiction under sub. (1) to the department of administration, and the department of administration shall make the payment on or before the first Monday in May.

SECTION 5. 121.90 (2) (am) 2. of the statutes is amended to read:

121.90 (2) (am) 2. Amounts under ss. 79.095 (4) ~~and~~, 79.096, 79.0965, and 79.098 for the current school year, not including payments received under s. 79.096 (3), 79.0965 (3), or 79.098 (3) for a tax incremental district that has been terminated.

****NOTE: This is reconciled s. 121.90 (2) (am) 2. This SECTION has been affected by drafts with the following LRB numbers: -1187/P1 and -1695/P1

SECTION 9334. Initial applicability; Public Instruction.

(1) SCHOOL DISTRICT REVENUE LIMITS; DEFINITION OF STATE AID. The treatment of s. 121.90 (2) (am) 2. first applies to the calculation of revenue limits for the 2025-26 school year.

SECTION 9342. Initial applicability; Technical College System.

(1) TECHNICAL COLLEGE DISTRICT BOARD REVENUE LIMITS; DEFINITION OF REVENUE. The treatment of s. 38.16 (3) (a) 2w. first applies to the calculation of district boards' allowable revenue for the 2025-26 school year.

(END)