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STATE SENATOR · 14TH SENATE DISTRICT

**Senate Bill 738: Eliminating Obsolete Statutory References Regarding
Property, Sales, and Income Taxes; the Uniform Unclaimed Property Act; and
Lottery Games**
Senate Committee on Universities and Revenue
Testimony of Senator Joan Ballweg
January 31, 2024

Thank you, Chair Hutton and members of the committee, for hearing this legislation that makes several technical changes to statutes affecting the Department of Revenue.

Senate Bill 738 is a bipartisan bill drafted in consultation with the Department of Revenue to clean up various statutes affecting the agency. The bill repeals obsolete statutory references, tax deductions, tax credits, tax exemptions, and makes numerous technical changes to statutes relating to tax incremental financing, electronic assessment rolls, internet equipment, property tax assessment objections, sales use tax exemption certificates, the married persons tax credit, unclaimed property, and lottery games.

Last session, we unanimously passed 2021 Wisconsin Act 87, which also amended the Wisconsin Uniform Unclaimed Property Act. Those revisions were based off the National Conference of Commissioners on Uniform State Laws in 2016. Our bill is a trailer to 2021 Wisconsin Act 87, which identifies additional technical fixes.

The bill has the support of JPMorgan Chase and the Wisconsin Bankers Association.

The Assembly companion, Assembly Bill 742, received a public hearing in the Assembly Committee on Ways and Means on January 11, 2024, and an executive session is scheduled for February 1, 2024.

Thank you for your consideration of Senate Bill 738, and I am happy to answer any questions.



Tony Evers
Governor

Peter W. Barca
Secretary of Revenue

Information Only Testimony on Senate Bill 738
January 31, 2024
Peter Barca, Secretary of the Department of Revenue

Good morning, Chairman Hutton, ranking member Larson and members of the Senate Committee on Universities and Revenue. I would like to thank Senator Ballweg and Representative August for sponsoring this important piece of legislation. I appreciate the opportunity to provide written testimony for information only on Senate bill 738, a bill of mostly DOR Law Revisions.

SB 738 includes a series of technical changes to existing statutes. The bill:

- Removes obsolete references to closed Tax Incremental Financing districts
- Modernizes assessment roll review by removing red ink requirement, allowing for electronic assessment rolls
- Removes obsolete tax deductions, credits and exemptions for certain internet equipment used in the broadband market and purchased before July 1, 2009
- Removes provision declared unconstitutional by a WI Supreme Court case
- Removes requirement for exemption certificate for purchase of insulin from a pharmacist for a human; patient health care records by patients and farm-raised fish by fish farms (prescriptions from a pharmacist, physician treatment of diabetes)
- Incorporates the language of a 1985 reference from the Internal Revenue Code into statute to avoid having to look-up the 1985 Internal Revenue Code
- Unclaimed Property bill trailer items
 - Removes loyalty cards that are redeemable for cash as UCP
 - Correct incorrect wording, replacing "earliest" to "later"
 - Clarify that Roth IRAs should be treated as traditional IRAs.
 - Allows for the extension of the Voluntary Disclosure Program
- Remove obsolete Lottery provisions
 - Modernizes requirement that lottery drawings have to be videotaped to allow for digital video recordings
 - Removes prize provision that expired in 1998.

We sincerely appreciate your consideration. Thank you again for the opportunity to provide testimony on these technical items. As always, I will make myself available for any questions.