



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-0394/P1
EKL:emw

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT** *to create* 70.325 of the statutes; **relating to:** the submission of
2 information for commercial property tax assessments.

Analysis by the Legislative Reference Bureau

This bill requires that taxpayers provide information about the fair market value of their commercial property when requested to do so by a property tax assessor. The taxpayer provides the information via a form developed by the Department of Revenue that lists documents pertaining to property that the assessor may request, including mortgage appraisals, tax returns, and accounting records. Upon request of the assessor, the taxpayer must complete the form and submit it, along with any supporting documents, to the assessor. All information provided to the assessor is confidential. A taxpayer who fails to provide the information may not claim, for property tax assessment purposes, that the property's lease or actual rent reflects a value greater than the property's full value.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 70.325 of the statutes is created to read:
4 **70.325 Requirement to provide information for commercial property**
5 **assessments.** (1) To determine the value of property classified under s. 70.32 (2)

1 (a) 2. for which a person should be assessed, an assessor may request the person to
2 submit evidence of the property's fair market value. If the assessor makes the
3 request, the person shall complete a form prescribed by the department of revenue
4 and shall submit the form and any supporting documents to the assessor within 10
5 days, unless the assessor allows a reasonable extension of time. The form prescribed
6 by the department shall list documents that evidence a commercial property's fair
7 market value and shall require the person to declare whether each document exists
8 for the property to be assessed and, if so, to attach a copy to the form. The documents
9 listed on the form shall include all of the following:

10 (a) The return filed to pay the fee imposed under s. 77.22.

11 (b) Written appraisals of the property performed to secure debt.

12 (c) Federal and state tax returns on which the property's fair market value, the
13 amount of depreciation claimed for the property, or the income derived from the
14 property is reported.

15 (d) Financial statements and accounting records pertaining to the property.

16 (e) The insurance policy carried on the property.

17 (f) Documents provided to the federal securities and exchange commission or
18 other federal regulators pertaining to the property.

19 (g) Documents provided to investors or shareholders pertaining to the property.

20 **(2)** The form prescribed by the department of revenue under sub. (1) may limit
21 the number of documents that the assessor may request and may allow the person
22 to submit a copy of a partial document. The assessor and person may further agree
23 to limit the scope of the documents provided under sub. (1).

