

2013-14 Legislative Session Wrap Up

Making the Ownership of Real Estate More Affordable

1. **\$406 Million Property Tax Cut** (2013 Wis. Act 145) -- Reduces property taxes by using \$406 million of state budget surplus to replace a portion of the property tax revenue used to fund technical colleges. (Bipartisan support)
2. **\$100 Million Property Tax Cut** (2013 Wis. Act 46) -- Reduces property taxes by \$100 million by using state revenue surplus to replace property tax revenue to fund public schools. (Bipartisan support)
3. **Property Tax Freeze** (2013 Wis. Act 20, State Budget) -- Places a 0.9% percent property tax cap on local levies for the next two years, but would allow increases based upon net new construction and gives local governments the power to carry forward up to 0.5% of unused levy authority to the next year. In addition, local governments may exceed the levy limits if approved through local referendum.
4. **Local Fees** (2013 Wis. Act 20, State Budget) -- Requires all revenue generated from local fees to be counted towards the levy limit which will discourage local communities from shifting funding for services from the property tax to local fees.
5. **Federalizing The Tax Treatment of Real Estate** (2013 Wis. Act 20, State Budget) -- Makes changes to the state income tax code to make it consistent with the federal tax code in the areas of depreciation of commercial property and the deduction of capital losses.
6. **Income Tax Reform** (2013 Wis. Act 20, State Budget) -- Cuts income taxes by approximately \$650 million (over two years), eliminates numerous tax credits, reduces the number of income tax brackets from five to four, and reduces the tax rate in each of the tax brackets.

Removing Regulatory Barriers to Owning, Developing and Investing in Real Estate

1. **Vested Rights** (2013 Wis. Act 74) -- Provides greater certainty and fairness in the permit approval process by freezing development regulations for completed permit applications and provide that any subsequent changes in land use regulations will not affect the consideration of the pending application. (Bipartisan support)

2. **Shoreland Zoning After Annexation** (2013 Wis. Act 80) -- Encourage higher density development and streamline the regulatory process by eliminating the requirement for cities and villages to adopt shoreland zoning standards (NR 115) for property newly annexed or incorporated into city/village limits. (Bipartisan support)
3. **Landlord/Tenant Regulations** (2013 Wis. Act 76) -- Makes several technical revisions to 2011 Wis. Act 143 and other statutory changes to make ownership of rental property less cumbersome and more profitable.
4. **Subdivision Regulations** (2013 Wis. Act 272) -- Revises state subdivision regulations (Wis. Stat. Ch. 236) to make it easier to divide commercial land by certified survey maps. (Unanimous support)
5. **Exemption From the Electrician Licensing Requirements** (2013 Wis. Act 143) -- Exempts various routine building maintenance activities from the new electrician licensing requirements. (Unanimous support)
6. **Municipal Utilities Collecting Tenant Arrearages from Landlords** (2013 Wis. Act 274) -- Requires municipal utilities to immediately notify landlords if the tenant fails to pay utility bills and require municipal utility to shut off service if payment is 90-days past due. (Bipartisan support)
7. **TIF Decrement** (2013 Wis. Act 183) -- Authorizes municipalities to lower the base value of an existing TIF district when the property is demolished or property values have declined, accelerating the generation of new taxable value and facilitating redevelopment. (Unanimous support)
8. **Special Assessment B bonds** (2013 Wis. Act 222) -- Provides local governments with more flexibility to structure the principal and interest ratios of installment payments for special assessment B bonds, which will encourage more economic development opportunities by making special assessment payments more uniform and affordable in the early years of a development project. (Unanimous support)
9. **Milwaukee Shoreline** (2013 Wis. Act 140) -- Establishes the shoreline of the City of Milwaukee in accordance with the City and Chicago & Northwestern Railway in 1913 (Bipartisan support)

Removing Regulatory Barriers to Real Estate Transactions

1. **State Preemption of Local Regulations Relating to Real Estate Brokers and the Practice of Real Estate** (2013 Wis. Act 20, State Budget) -- Prohibits local units of government from regulating and imposing any fees on real estate brokers or the practice of real estate.

2. **Land Information Program/Document Recording Fees** (2013 Wis. Act 20, State Budget) -- Eliminates the sunset on the \$5 fee added to documents recorded with the register of deeds for the purpose of redacting social security numbers, in exchange for requiring all 72 counties to have modernized land records and to have property tax data, zoning data and property addresses available and searchable in a uniform format on the internet.
3. **Exempting Real Estate Licensees from the Prohibition on the Release of Information by Municipal Utilities** (2013 Wis. Act 134) -- Authorizes municipal utilities to release customer information to real estate licensees and appraisers as part of a real estate transaction or appraisal without obtaining the customer's consent, and requires the PSC to produce a standard consent form for requesting customer information. (Unanimous support)

Protecting Consumers and Improving the Level of Professionalism in the Real Estate Industry

1. **Broker Experience Requirement** (2013 Wis. Act 133) -- Requires at least two years of active real estate experience as a salesperson prior to obtaining a Wisconsin broker's license. (Unanimous support)
2. **Convicted Felons** (2013 Wis. Act 288) -- Creates specific standards for when a convicted felon may obtain and keep a Wisconsin real estate license.
3. **Out of State Licensees** (2013 Wis. Act 259) -- Creates a regulatory framework for out-of-state real estate licensees to provide brokerage services related to the sale/purchase of real estate located in Wisconsin. (Unanimous support)

Creating Incentives for Economic Development and Job Creation

1. **Historic Rehabilitation Tax Credit** (2013 Wis. Act 62) -- Increases the state income and franchise tax credit for qualified rehabilitation expenditures from 10 percent to 20 percent. (Bipartisan support)
2. **Venture Capital** (2013 Wis. Act 41) -- Creates a \$25 million fund-of-funds venture capital investment program to facilitate investments in venture capital funds, which, in turn, must invest in Wisconsin businesses. (Unanimous support)