

Gov. Evers: Democrats announce legislation repealing the personal property tax

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MADISON — Gov. Tony Evers, together with State Senator Brad Pfaff (D-Onalaska) and State Representative Robyn Vining (D-Wauwatosa), today introduced legislation repealing Wisconsin's outdated personal property tax and creating a new state aid payment to compensate local governments for their lost revenue.

“When I ran for governor, I promised I would cut taxes for middle-class families, and I’m proud to have kept that promise by delivering one of the largest tax cuts in state history in my most recent budget, on top of the \$480 million in tax relief for Wisconsin businesses and families affected by COVID-19 that I signed into law earlier this year,” said Gov. Evers. “This legislation will continue our efforts to support businesses and families as they bounce back from the pandemic while ensuring our local governments have the aid they need to remain whole.”

The bill comes after Gov. Evers earlier this year retained a provision in the 2021-23 biennial budget, as amended by the Legislature, to preserve state funds in support of repealing the state's personal property tax that will be used to reimburse local governments while vetoing a companion bill, [2021 Assembly Bill 191](#), that contained the relevant statutory provisions relating to the repeal. Due to the haphazard process by which the bill was drafted and passed, Assembly Bill 191 could have had problematic ramifications for railroad taxes and the manufacturing and agriculture credit, as well as the potential for the state to lose millions in taxes owed by utility companies. Upon vetoing Assembly Bill 191, Gov. Evers called on Republicans in the Legislature to work with his administration and the Wisconsin Department of Revenue to pass a more comprehensive bill to repeal the personal property tax that addressed these problems.

The bill announced today, [LRB-4737](#), exempts from property taxation all property classified as personal property and fixes a number of problems and unintended consequences associated with 2021 Assembly Bill 191.

LRB-4737 repeals the personal property tax in a responsible way by fully reimbursing local governments for their lost revenue and providing this funding on an ongoing basis with inflationary increases each year. LRB-4737 also makes a number of technical changes to state statutes to simplify the tax code and prevent adverse effects, including:

- Repealing the tax on railroad personal property and creating an appropriation to ensure the transportation fund remains whole.
- Continuing payments for rail terminals to municipalities.
- Clarifying language in state statutes governing the manufacturing and agriculture credit to ensure there is no impact on claimant eligibility.

A copy of LRB-4737 is available [here](#).