



**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**  
**ASSEMBLY AMENDMENT ,**  
**TO ASSEMBLY BILL 40**

1           At the locations indicated, amend the bill as follows:

2           **1.** Page 1, line 2: after “grants” insert “, property tax assessments based on  
3 comparable sales,”.

4           **2.** Page 2, line 1: before that line insert:

5           “**SECTION 1b.** 70.32 (1b) of the statutes is created to read:

6           70.32 **(1b)** (a) To determine the value of property using generally accepted  
7 appraisal methods, the assessor shall consider all of the following as comparable to  
8 the property being assessed:

9           1. Properties exhibiting a similar highest and best use with placement in the  
10 same market segment.

11           2. Properties that are similar to the property being assessed with regard to age,  
12 condition, use, type of construction, location, design, physical features, and economic

1 characteristics and the potential to generate rental income. For purposes of this  
2 subdivision, such properties may be found locally, regionally, or nationally.

3 (b) 1. For purposes of par. (a), a property is not comparable if at or before the  
4 time of sale, the seller places any deed restriction on the property that changes the  
5 highest and best use of the property, or prohibits competition, so that it no longer  
6 qualifies as a comparable property under par. (a) 1. or 2. and the property being  
7 assessed lacks such a restriction.

8 2. For purposes of par. (a), the assessor shall avoid using sales of improved  
9 properties that are distressed or vacant and considered dark unless the property  
10 being assessed is similarly distressed or dark. For purposes of this subdivision, a  
11 vacant store is considered dark when it is vacant beyond the normal period for that  
12 commercial real estate market segment and can vary from one municipality to  
13 another.

14 (c) For purposes of par. (a), “highest and best use” means the specific use of the  
15 property as of the current assessment date or a higher use for which the property may  
16 be used as of the current assessment date, if the property is marketable for that use  
17 and the use is legally permissible, physically possible, not highly speculative, and  
18 financially feasible and provides the highest net return. In this paragraph, “legally  
19 permissible” does not include a conditional use that has not been granted as of the  
20 assessment date or any use that has not received as of the assessment date all  
21 federal, state, or local government approvals, permits, or licenses that are necessary  
22 for the use to occur.

23 (d) The department shall, in consultation with the Wisconsin Association of  
24 Assessing Officers, League of Wisconsin Municipalities, and Wisconsin Towns  
25 Association, prepare and annually update best practices for evaluating the

1 performance of assessors to guide local officials in determining whether assessors  
2 are complying with state law and the Wisconsin Property Assessment Manual.”.

3 **3.** Page 3, line 8: after that line insert:

4 **“SECTION 2. Initial applicability.**

5 (1) The treatment of section 70.32 (1b) of the statutes first applies to the  
6 property tax assessments as of January 1, 2019.”.

7 (END)